

Violet C. Haydel
 Etha M. Horngren
 Estelle Korol
 Rosalind C. Light
 Mary L. Lower
 Alice T. McCarthy
 Rose E. McCluskey

Katherine M. Merrill
 Margaret C. Oleyar
 Mary R. Remski
 Margaret Shaker
 Alice L. Spence
 Frances C. Whitlock
 Dorothy Zulick

The following-named officers to the grades indicated in the Medical Corps of the Navy:

Commander

William S. Lawler

Lieutenant commanders

Wendell A. Butcher
 Hermann J. Lukeman

Lieutenants

Gustave T. Anderson
 Charles E. Weber

Lieutenants (junior grade)

Victor G. Benson
 Cyril J. Honsik

Edward Martin, Jr.
 Gerald A. Martin

The following-named officer to the grade indicated in the Medical Service Corps of the Navy:

Lieutenant

George LeR. Baker

The following-named officers to the grades indicated in the Nurse Corps of the Navy:

Lieutenants (junior grade)

Helen E. Crabtree
 Pauline R. Uhoreczuk

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 10, 1949

The House met at 12 o'clock noon.

Rev. Walter Dominic Hughes, O. P., S. T. D., Dominican House of Studies, Washington, D. C., offered the following prayer:

Direct by Your inspiration, we beseech You, O Lord, all the actions of these our elected representatives, and in Your tender providence and paternal care govern those who govern us. Sustain them, Heavenly Father, by Your power, so that neither the hostility of enemies nor the indifference of unappreciative allies may thwart their efforts or deny to them ultimate success.

Incarnate wisdom, Son of God, who came into the world to enlighten every man, teach them truth. Educate them in the practical prudence of just judgments and the impracticality of hasty expedience and unworthy compromise. Divine Legislator, who as man was the most faithful executor of the will of God, give these legislators sound judgment and a right conscience. By Your continuing assistance enable them to provide laws that will promote our temporal welfare and remove the obstacles to the spiritual good of all in this great Nation dedicated to her from whom You took Your flesh to dwell among us.

Strengthened by divine power and enlightened with supernal wisdom, may they be moved by the Holy Spirit of Divine Love to forestall selfish interests and accomplish the common good of each and all. May that common good be the motivation of all their deliberations and counsels. May they exercise their authority, not in the petty tyranny of a partisan spirit, but in the spirit of Christian love, knowing that only by their own

subjection to God as their Father may they enlist the allegiance of their fellow men as brothers.

Beginning each day and every action before God in prayerful submission, unwavering confidence, and sincerest love, may they and those whom they govern be rewarded with that measure of temporal happiness which will most readily lead them to the unbounded happiness of heaven in the vision and fruition of God, Father, Son, and Holy Spirit, who lives and reigns for ever and ever. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. HERLONG asked and was given permission to extend his remarks in the RECORD and include the text of the address of President Truman given on the occasion of the conferring upon him of the honorary degree of doctor of humanities at Rollins College, in Winter Park, Fla., on Tuesday last.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include an article by Grantland Rice.

Mr. HELLER, Mr. PASSMAN, and Mr. BOGGS of Delaware asked and were given permission to extend their remarks in the RECORD.

Mr. RAINS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a statement made by himself.

Mr. ANGELL asked and was given permission to revise and extend the remarks he expects to make in the Committee of the Whole today and include certain extraneous matter.

Mr. RICH asked and was given permission to extend his remarks in the RECORD in two instances and to include in one an article from the United States News and World Report, entitled "You, Too, Work for Uncle Sam," and in the other an editorial from the Bristol Courier of Tuesday, March 8, on paying Britain's bills.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD on House Resolution 143, which he has introduced, and include an article and an editorial.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include a résumé prepared by herself regarding veterans' pensions, together with a letter from General Gray regarding veterans' pensions, and a statement from him regarding the discharges other than dishonorable.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a newspaper statement.

Mr. TOWE asked and was given permission to extend his remarks in the RECORD and include an article on socialized medicine.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include an editorial from the Newark Evening News.

Mr. HART asked and was given permission to extend his remarks in the RECORD and include an article from the New York Times.

GOVERNMENT COMPETITION WITH PRIVATE SHIPYARDS

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURPHY. Mr. Speaker, many thousands of shipyard employees are in danger of losing their jobs. This unemployment will result if the Maritime Commission is not prevented from involving the Federal Government in the ship-repair business.

A reduction in ship construction and repair work has already compelled the shipbuilding industry to lay off large numbers of men. Therefore, the entrance of the Federal Government into any phase of shipbuilding work at this time would cripple an industry that has proven indispensable to our national security; it would result in unemployment and hardship to workers whose skills are a most important element in our national defense.

The Maritime Commission proposes to use movable military-type drydocks in order to recondition 2,000 laid-up cargo ships grouped into 6 fleets anchored in as many locations.

Shipbuilding experts from the East, West, and Gulf ports have testified before the House Committee on Merchant Marine and Fisheries that this activity of the Maritime Commission would be very injurious to their industry and not at all profitable to the Government. They warned that unemployment would spread throughout the industry as a consequence.

It was pointed out that the Maritime Commission, in formulating their plan, did not take into account the expense of shore installations necessary for such work. These installations are available in private yards where many were built during the war under facilities contracts by the Federal Government.

With funds already expended in our shipyards, it does not seem good judgment to employ additional Government money in the purchase of new equipment to accomplish what the existing private shipyards can do and have done during the war on a scale never imagined by the most imaginative.

My district contains one of the greatest shipping and shipbuilding areas in the country. Large numbers of our people depend directly or indirectly on the Maritime industries for their living. Government competition with private industry such as proposed by the Maritime Commission would have serious economic consequences to the people of the district I represent as well as to those of every other area in the country similarly situated.

EXTENSION OF REMARKS

Mr. CANNON. Mr. Speaker, Williams Jewell College, one of the oldest schools west of the Mississippi, this month celebrates its centennial anniversary and I ask unanimous consent to extend my remarks and include addresses delivered by the Governor of Missouri and the president of the college and other related data.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

STATE REPRESENTATIVE DUSENBURY AND REPRESENTATIVE HUGO SIMS, JR., OF SOUTH CAROLINA

Mr. YATES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, I rise to commend two distinguished citizens of South Carolina, both active in representative capacities, who apparently took their political lives in their hands by voting in accordance with their consciences rather than upon the basis of political expediency.

The first, Representative Dusenbury, stated in the South Carolina Legislature his opposition to the State's \$60,000,000 World War II veterans' bonus bill. The holder of the Navy Cross and Silver Star, Representative Dusenbury has lost the use of his legs in action against the Japanese.

He stated in substance that he was a citizen first and a veteran second and that he would favor rather the use of the \$60,000,000 for roads or schools in the State.

He stated further his political philosophy when he said:

I am certainly willing to put my political life on the line any time for my country.

The second person whom I should like to commend is the "baby" of this House, an ex-paratrooper in our armed forces, Representative HUGO SIMS, JR., who may be young but who has wisdom far beyond his years. Yesterday Representative SIMS voted his conscience in a way which he conceived to be for the welfare of his country by casting his vote—the deciding vote—in the Committee on Education and Labor in favor of the administration's minimum-wage bill. I know that extreme pressure was brought upon the gentleman to vote against the bill and that it may well have been much more expedient for him to do so, particularly at this time when he is beginning his career.

I am very proud to be among his associates in this House.

I am sure that in each of these instances the people of South Carolina will respect the integrity and ability of their representatives and will give them the long and distinguished careers they so richly deserve.

ANNIE O. BROWN

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House

Administration, I submit a privileged resolution (H. Res. 140) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Annie O. Brown, wife of Edward Brown, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying the funeral expenses of the said Edward Brown.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MRS. CHARLOTTE H. MURDOCK

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 126) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Charlotte H. Murdock, widow of Wallace C. Murdock, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed \$250 toward defraying the funeral expenses of said Wallace C. Murdock.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BOARD OF REGENTS, SMITHSONIAN INSTITUTION

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. J. Res. 89) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, be filled by the appointment of Jerome C. Hunsaker, a citizen of Massachusetts, for the statutory term of 6 years, to succeed Frederic C. Walcott, retired.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN F. SCHMELZER

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 93) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be paid out of the contingent fund of the House of Representatives the sum of \$393.52 to John F. Schmelzer and Alliance Insurance Co., care of William H. Clark, attorney, 637 Woodward Building, Washington, District of Columbia, as reimbursement for damages sustained to the automobile of John F. Schmelzer on May 13, 1948, as a result of an accident involving a House of Representatives postal truck at the intersection of Connecticut Avenue and California Street NW., Washington, District of Columbia.

The postal driver of the House of Representatives truck, while on official business, entered the intersection of Connecticut Avenue and California Street NW. against a red light, and was arrested, pleaded guilty, and paid a fine.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 113) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 75, Eighty-first Congress, incurred by the Committee on Education and Labor, acting as a whole or by subcommittee, not to exceed \$15,000, including expenditures for printing and binding, employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

Sec. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

Line 5, strike out the words "printing and binding."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

STRATEGY AND TACTICS OF WORLD COMMUNISM

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I ask for the immediate consideration of House Concurrent Resolution 18.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document and that there be printed in addition 15,000 copies of Supplement III (Country Studies A, B, and C) of the report of the Subcommittee on National and International Movements of the Committee on Foreign Affairs entitled "The Strategy and Tactics of World Communism" for the use of the Committee on Foreign Affairs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FASCISM IN ACTION

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit House Concurrent Resolution 44, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 100,000 additional copies of House Document No. 401, Eightieth Congress, entitled "Fascism in Action," of which 84,000

copies shall be for the use of the House of Representatives and 16,000 copies shall be for the use of the Senate.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUSING AND RENT CONTROL, 1949

Mr. SABATH. Mr. Speaker, I call up House Resolution 138 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1731) to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 24]

Albert	Hall,	Pfeffer,
Allen, Ill.	Leonard W.	William L.
Aspinall	Hays, Ark.	Phillips, Calif.
Bland	Hébert	Potter
Blatnik	Howell	Poulson
Buckley, N. Y.	Jackson, Wash.	Powell
Bulwinkle	Jacobs	Reed, N. Y.
Byrne, N. Y.	Javits	Richards
Canfield	Kennedy	Rooney
Celler	Keogh	Scott, Hardie
Chatham	Kirwan	Scott,
Cooley	Klein	Hugh D., Jr.
Corbett	McMillan, S. C.	Smith, Ohio
Coudert	Macy	Somers
Davis, Tenn.	Marshall	Stigler
Dawson	Miles	Thomas, N. J.
deGraffenried	Morris	Vorys
Dingell	Murdock	Whitaker
Douglas	Murray, Tenn.	Wickersham
Fernandez	O'Toole	Wilson, Okla.
Furcolo	Patten	Withrow
Gilmer	Pfeffer,	
Granger	Joseph L.	

The SPEAKER. On this roll call 369 Members have answered to their names; a quorum is present.

XCV—138

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. WALTER asked and was granted permission to extend his remarks in the RECORD and include a report.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include certain statements and excerpts.

Mr. PATMAN asked and was given permission to revise and extend the remarks he intends to make in Committee of the Whole and include certain statements and excerpts.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include a resolution.

HOUSING AND RENT CONTROL, 1949

The SPEAKER. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Speaker, this resolution makes in order H. R. 1731, known as the rent-control bill. It is an open rule.

The rule provides for 5 hours of general debate, a very liberal time. The rule also provides that after general debate the bill will be taken up in the House under the 5-minute rule for amendment, thereby giving the Members ample opportunity and privilege to offer amendments if they so desire.

In the interest of the new Members, Mr. Speaker, may I say that during the Eightieth Congress the Committee on Banking and Currency endeavored for months to bring out a decent rent-control bill, and finally reported one out and instructed its chairman to come to the Rules Committee and ask for a rule on it. But, unfortunately, when the chairman appeared before the Committee on Rules, he forgot about the instructions of his committee and submitted his own closed rule not on the original bill reported by the committee but on a bill backed by the real-estate operators which was against the interests of millions of American veterans and people who were unable to obtain decent living quarters.

A reading of the bill now before us and the splendid report which the committee has submitted clearly shows that it is the aim of the committee to safeguard and aid veterans and persons of low earnings and income to obtain living accommodations.

I hope in view of what has taken place heretofore that my Republican friends will join with us in passing this bill so that they will not find themselves in the position of those who voted for the vicious real estate lobbyists bill in the last session of Congress. Some of them actually did intend to join us in passing a decent bill but, unfortunately, due to the powerful influences of the great lobby that was then active here, they were forced in voting against their own desires and convictions. The activities of the lobby has not in any way diminished and its representatives can be seen in the hotels, in the corridors of the Offices buildings, and in the galleries of the House and Senate, continuing their activities in full force, determined to kill this legislation in the

interest of a few thousand owners of these big apartment buildings and hotels, most of which were acquired under distress conditions at 10, 15, and 20 cents on the dollar. They have spent over \$3,000,000 trying to beat this legislation, legislation in the interest of the American people, but I hope none of you new Members, and even some of you Republicans, will not fall prey to the ingenious and arrogant tactics of this lobby which, mind you, Mr. Speaker, is sponsored by the National Association of Manufacturers, builders and contractors, hotel apartment operators, and by certain groups and combinations of hotel organizations that are acquiring every hotel and apartment hotel it is possible for them to obtain.

Mr. Speaker, I am of the opinion that any Member who is sincere and honest, and realizes the shortage that exists in rental quarters will support the committee and the bill.

I wish to congratulate the committee upon the splendid bill they have reported, and I reiterate and restate that any Member who is sincere, honest, and desirous of voting in the interest of the deserving veterans and the people will support this bill.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I ask unanimous consent to speak out of order for 1 minute of my time.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I have said a thousand times and now repeat, that communism has gained such a commanding influence over the minds of men as to endanger the peace and security of the whole human family.

Under the ceaseless attacks of Soviet Russia, states are falling one after the other, freedom is seeking a place to hide, religion is in retreat, and the whole moral order of the world is in a state of decay.

If communism is to be stopped here in our own country, now is the time to begin an all-out effort to stop it, and so, I wonder if the time has not arrived when the people in every part of the country should be urged to send their representatives here to counsel with one another upon the safety of the Republic.

Mr. Speaker, I fear that the strength and the will to save America must be found outside of the Government.

There may be here great virtue and wide understanding, but of courage and unselfishness there is little or none. The general welfare is consistently subordinated to personal and party politics.

And so, Mr. Speaker, we continue to ride the tide that rolls on toward that equality and democracy of which the new order speaks—an equality of servitude—a democracy of degradation.

Mr. Speaker, as to the pending rule I favor its adoption. I would like to make the observation that in time of emergency the rights of individuals must be sacrificed to the general welfare, but when the emergency has passed these rights should be restored.

The law which it is proposed to continue is confiscatory in character. Continue it indefinitely and all landed property will ultimately be sacked and ravaged. It is not good legislation and it is not good government.

Mr. Speaker, the gentleman from Georgia [Mr. BROWN] will offer several amendments. It is my feeling those amendments should be adopted, the limitation of 90 days should be imposed, then the whole thing thrown out of the window.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, as the gentleman from Illinois [Mr. SABATH], chairman of the Rules Committee, has told you, House Resolution 138 makes in order the consideration of the bill (H. R. 1731) to extend certain provisions of the Housing and Rent Act of 1947, as amended, and provides for 5 hours' general debate thereon. This rule would also waive all points of order on the bill.

However, the gentleman from Illinois failed to tell you that H. R. 1731 is a very much changed measure from that which was originally introduced by the gentleman from Kentucky [Mr. SPENCE], chairman of the Banking and Currency Committee, on January 24. If you will study a copy of the pending bill (H. R. 1731), you will note that practically the entire original measure, as introduced, has been stricken, and in its stead the committee has reported to the House a new version of the measure to extend the Rent Control Act.

While I know that this bill will be very thoroughly explained and fully debated on the floor of the House during the remainder of the day, and perhaps tomorrow morning, I want to emphasize the fact that the pending measure which would continue Federal rent control for 15 months, or until midnight of June 30, 1950, under a much stricter law than the present one. In other words, it would not only continue present controls over rental property, but would actually broaden and extend them. It would also give to rent-control officials far greater and broader powers than they have ever exercised heretofore.

The proposed law also gives to the Rent Control Director the authority to recontrol much of the rental property which has been decontrolled if he, in his judgment and discretion, deems it wise to do so.

This bill does not in any way give any assurance, or any guaranty, to any rental property owner that he will receive any return whatsoever on his investment. As far as this bill goes, it only provides that in fixing rents the Rent Control Director shall take into consideration any increased costs of maintenance and operation, such as increased taxes, higher cost of coal, labor, and so forth. Nowhere in this bill is there any provision which will give any assurance whatsoever to any American citizen who owns rental property that the rent fixed under the provisions of this proposed Federal law will be such as to give a fair return on the investment.

I am sure I am speaking for almost every Member of this House when I say none of us believes in rent profiteering. We do not like it, and we do not want it. Certainly, we all want to see the individual who is compelled to rent living quarters to receive fair treatment. We think he is entitled to that. But, on the other hand, many of us have the fixed opinion owners of rental property are also entitled to fair treatment.

Many of us in Congress have had rather sad experiences during recent years which have convinced us that neither the Federal rent-control law nor the administration thereof have been fair or just to many property owners.

I understand that in the Committee on Banking and Currency an amendment was offered by the distinguished gentleman from Georgia [Mr. BROWN] to require that in fixing rents the rental rate be set so as to give a fair return on the fair value of the property; or in other words, rents be fixed at a figure which will guarantee, that while the property owner has to obey the orders of the Rent Control Director, he will not be compelled to rent his property without any profit or any return upon his investment. The Brown amendment was offered in the committee, as I understand, with the thought and with the intent to extend fair treatment to those thrifty citizens who have invested their life savings in rental properties on the returns from which they have to depend for a living.

I am firmly convinced that there has never been a property right that was not also a human right.

We hear a great deal of talk, most of which is just pure, simple guff, about how human rights must always be placed above property rights, yet every property right that I ever knew of—and our Constitution, and the founding fathers who wrote it, so provided—is also a personal or a human right. It is just as much of a human right for an old man or an old woman who has saved his or her money throughout the years and invested it in a little rental property, to receive a fair return on such an investment as it is a human right for any individual to obtain a place to live at a fair rental. We should approach this entire problem only on the basis of attempting to be fair to all concerned.

I understand an amendment was also offered in the committee to extend the present rent-control law as is for 90 days in order an opportunity might be given to determine just which way we are going in our economic life here in America—whether this so-called little depression or recession or disinflation in which we find ourselves is only temporary or whether it is the beginning of a more serious situation which could develop into a full-fledged depression.

Certainly the great Committee on Ways and Means of this House, and certainly many of the agencies of Government which have seen fit to postpone action on legislation and on Government construction and other important matters until it can be determined whether we are going into a depression or are to continue at the present level of economic life, production of goods and employment of persons, have acted wisely.

I think it would be well for us to at least delay for 90 days any further consideration of this matter, until we determine just what the future may hold for America.

Of course, I am of the rather firm conviction that if there are still any communities in America—and I presume there are quite a number—in which there is still a great scarcity of rental property, and where rent control is still needed, that authority to control should be exercised by the State and local officials rather than by the Federal Government.

When this bill was before the Rules Committee, I asked a number of the members of the great Committee on Banking and Currency, who were requesting this rule, to tell us when they expected Federal rent control in America to end. Whether, if this bill was written into law, it would be the last rent-control bill we would have before us, or whether there would be others to come in the future. Whether we were embarking upon a series of continued bills, so that we will always have rent control here in this country, or will have it for many years to come. I did not get any answers, because, seemingly, they do not know. Personally, I am a little fearful that perhaps we may be going into a controlled economy, which will not be of any benefit but of great detriment to the Nation.

Despite the remarks of my beloved chairman, the gentleman from Illinois, that this is a bill for the benefit of the veteran—and it does have a section or two referring to the rights of veterans, under certain circumstances, to purchase new property or reconstructed property—from experience we have learned that Federal rent control has actually worked to the disadvantage of the veteran, because in the first Rent Control Act, passed during the war, and in every bill since, we have frozen the occupants of rental property in that property. In other words, during the war we passed a rent-control bill which provided that tenants occupying a property could always stay in that property. We made it very difficult or impossible to get rid of any tenant against his will. So when our thirteen or fourteen million veterans came home, they found that people who were not in the war had all available property rented, and that there was not any rental property to be found for use of the veterans. There was no way for them to rent an apartment or a home. Their only chance to rent a piece of property was to find one that had become vacant—a rather difficult thing to do under the circumstances. So this is not truly a bill for the benefit of the veteran.

I want to urge you to pay close attention to the coming debate, and above all else to be on the floor tomorrow and to listen to the arguments made in favor of the various amendments which will be offered. Also to vote on those amendments, because I am rather fearful that, unless this bill is properly amended, its passage will work a real hardship on the people of the United States, including many of our veterans. I hope, as this bill is fully debated and explained, that every Member of Congress may become acquainted with its provisions. As I

said in the beginning, this bill will give to the Nation a much stricter rent-control law than we have ever had before. Almost 4 years after the fighting stopped, it is proposed we extend the controls over and restrictions on the owners of property even further than we did in time of war. Therefore, I hope you will give careful consideration to this measure. This is an important matter. It contains an issue that the Congress must meet and pass upon, the more quickly the better.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN] a member of the committee.

Mr. PATMAN. Mr. Speaker, the Committee on Banking and Currency of the House is very fortunate. We have a very fine chairman, the Honorable BRENT SPENCE, of Kentucky. He is not only able, but he is fair to everyone, regardless of political affiliations of the member. He is always fair. Under his leadership and guidance we are permitted to bring to the House of Representatives today, I believe the best possible bill that could be brought for rent control. I do not like rent control but it is necessary. In 1947 I voted against the weak bill for the landlords only which was presented to the House for rent control. I am convinced now that we must have rent control until the emergency is over or at least until it is over to a greater extent than it is at the present time. I am convinced that some of the landlords have demonstrated an attitude toward tenants that if we were to release them from rent control at this time, I am afraid they would go too far. I am sure all landlords would not, but a sufficient number would so as to disrupt our economy. It is my prediction if we do not have rent control for the next 15 months, the time provided for in this bill, we will have increases in rents, from 50 percent to 500 percent. I am basing that upon testimony received before the committee. Unfortunately these areas that are so tight where housing accommodations and residential units are so scarce are areas in which wage earners live; and if we do not have rent control, wage earners will have to pay more rent. It will be doubled; it will be increased 200 percent, and in some instances 300 percent. That means just one thing; that is, that these wage earners cannot take care of that under their present budget. They will necessarily ask for increased wages, and if they do not receive increased wages we will possibly have strikes. So it is possible if we destroy rent control in March that we will have work stoppages in May, through strikes caused by the action of Congress in refusing to extend rent control.

This bill contains many valuable provisions that it has not contained in the past. Heretofore I have been against recontrolling. When the Housing Expediter decontrolled an area I was opposed to his having the privilege of going back and recontrolling that area. But I am now convinced that at least 150 or 200 areas can be decontrolled immediately if this bill becomes law as it is, for the reason that it provides for re-control in the event rents get out of

line. Although the Expediter would like to decontrol, not having the power to put them back under control if they get out of line, he is reluctant to do it. I think he is acting wisely in that, but if we give him the power to recontrol then he will be more liberal and generous in decontrolling areas. So at least 150 or 200 areas or portions of areas will be decontrolled almost immediately if this bill becomes law.

This bill will provide something else. The gentleman from Georgia [Mr. BROWN] has an amendment which the gentleman from Ohio [Mr. BROWN] mentioned a while ago. I am going to vote for that amendment. That amendment provides for a reasonable return upon a reasonable value. That is all right. That will correct the criticisms of many Members of this House.

The bill that was passed in 1947 I consider was strictly a landlord's bill. That bill wholly disarmed the tenants. The tenants had no rights that they could exercise, and the landlord was armed with all kinds of rights and privileges and opportunities to get rid of the tenants. So the tenants had no rights. This bill is not just a landlord's bill. It is a bill that is fair to both landlords and tenants.

It has an unusual provision in this, that each area office will have a local expediter, we will call him. He is not named that, but we will call him a local expediter—a person designated by the local board to help both landlords and tenants in presenting their claims.

The SPEAKER. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. PATMAN. The Housing Expediter learned, in contact with local boards all over the country, that landlords were not making applications for adjustments. They were discouraged. They would go into a local office and it would be filled with people. It would take up a lot of time. They would give up and go back home and suffer the consequences.

Out of 17,000 applications filed by landlords for readjustments in one recent month, 15,000 of those cases were processed up to a few days ago, and over 13,000 received increases in rents. So that shows that if they had merit in their case they would get a readjustment.

So this committee has recommended in this bill that we have a local person whose duty it is to do nothing else except to help the landlords and tenants in getting proper and fair adjustments. That is going to relieve many of these hardship cases. With that alone and with the Brown amendment, I think we will have a very fine bill for rent control.

The number of wage earners in this country who will be affected by these enormous increases in rents is sufficient to have a great effect, a devastating effect, upon our entire economy. So a vote for this bill is a vote for stabilization, and it is a vote against the stoppage of production and strikes in the future.

I hope you will vote for the 15 months' extension that the committee is asking you to vote for today.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BROWN of Ohio. I was very much interested in the gentleman's statement that he believed the Brown amendment was a good amendment and that he expected to vote for it when it was offered on the floor. Will the gentleman tell the membership by what vote the Brown amendment failed in the Committee on Banking and Currency?

Mr. PATMAN. That, of course, was an executive session of the committee. Does the gentleman say it is all right to disclose what happened in an executive session?

Mr. BROWN of Ohio. I certainly think it is all right on this particular matter.

Mr. PATMAN. It failed by a vote of 12 to 11 when it was first brought out.

Mr. BROWN of Ohio. And did the gentleman who is now addressing the House vote for it?

Mr. PATMAN. I voted against it.

Mr. BROWN of Ohio. But the gentleman has changed his position now?

Mr. PATMAN. I have; I am going to vote for it.

Mr. BROWN of Ohio. I wonder whether it is a conversion or whether the gentleman has come to the conclusion that he cannot pass the bill without the Brown amendment in it?

Mr. PATMAN. You cannot pass quick judgment on so long an amendment.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. PATMAN. May I have three additional minutes?

Mr. SABATH. I yield the gentleman two additional minutes.

The SPEAKER. The gentleman from Texas may proceed.

Mr. PATMAN. I voted that way because the Brown amendment is not a mass of Brown amendments, as the gentleman said a while ago; it is just one amendment; it is a very long amendment; and when you bring up an amendment like that, you see a lot of words and phrases you are not accustomed to, and you like to look into its definitions, you like to determine how the courts have construed such provisions in the past. When you are convinced that the words and phrases are all right and that it will not be disruptive to the Rent Control Act, then I think it is perfectly all right to change your mind and vote for it; and that is exactly what I am going to do, after thorough consideration.

Mr. O'SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. O'SULLIVAN. Did I understand the gentleman to say that the Brown amendment provides for a fair return based on the value of the property?

Mr. PATMAN. The gentleman from Georgia will present his own amendment. I do not like to be brought into the discussion about details in the amendment. I hope the gentleman will not insist.

Mr. O'SULLIVAN. I was thinking that probably the fairer way would be to base the return on the cost of the investment, because values have gone out of sight.

Mr. PATMAN. A number of ways were considered, but I think the Brown amendment fairly presents the matter; and that is the amendment I expect to vote for, after thorough consideration.

I am inserting herewith answers to questions that have been propounded to the Housing Expediter and his answers thereto:

QUESTIONS AND ANSWERS ON H. R. 1731 AMENDING THE HOUSING AND RENT ACT OF 1947, AS AMENDED

1. Question. For how long does the bill extend control over rents?

Answer. Until June 30, 1950, unless sooner terminated by proclamation of the President or by concurrent resolution by both Houses of Congress.

2. Question. What changes are made in the decontrol provisions relating to hotel accommodations?

Answer. The bill decontrols all accommodations in transient hotels and recontrols all accommodations in apartment and residential hotels. The test date for determining the status of a particular establishment is June 30, 1947.

3. Question. What effect has the bill on trailers and trailer spaces?

Answer. The bill recontrols trailers and trailer spaces not used exclusively for transient occupancy.

4. Question. Does the bill continue the decontrol of new construction completed on or after February 1, 1947?

Answer. Yes.

5. Question. Does the bill continue the decontrol of accommodations created by a change from a nonhousing to a housing use on or after February 1, 1947?

Answer. Yes.

6. Question. Does the bill continue the decontrol of additional accommodations created by conversion on or after February 1, 1947?

Answer. Yes, except that in conversions created on or after the effective date of the new act the landlord must obtain a decontrol order from the Housing Expediter, which shall be issued if the conversion results in additional self-contained family units.

7. Question. Does the bill continue the decontrol of motor courts and tourist homes?

Answer. Yes.

8. Question. Does the bill continue the decontrol of accommodations not rented for 24 successive months between February 1, 1945 and March 30, 1948?

Answer. No, these accommodations are recontrolled.

9. Question. Does the bill continue the decontrol of newly constructed housing accommodations completed between February 1, 1945, and February 1, 1947, which were not rented prior to June 30, 1947?

Answer. Yes.

10. Question. Does the bill continue the decontrol of nonhousekeeping, furnished housing accommodations located in a single-dwelling unit?

Answer. Yes.

11. Question. How will maximum rents be established for recontrolled units?

Answer. On the basis of the maximum rent last in effect under Federal rent control, plus or minus applicable adjustments; or if there was no such rent in effect, then the rent for comparable units, plus or minus applicable adjustments.

12. Question. Does the bill provide for execution of voluntary 15-percent increase leases?

Answer. No.

13. Question. What will be the status of units now covered by 1947 or 1948 statutory leases which are still in effect?

Answer. These units are recontrolled and the lease rent will be the maximum rent as long as the lease remains in effect.

14. Question. What will be the status of units covered by 1947 statutory leases which were decontrolled because the leases terminated prior to April 1, 1948?

Answer. These units are recontrolled, and the maximum rent will be the lease rent plus or minus applicable individual adjustments, unless there has been an over-all increase in the area, in which event it may be higher. (See answer to question 16.)

15. Question. What will be the status of units covered by 1947 and 1948 statutory leases which were terminated on or after April 1, 1948, or will hereafter be terminated?

Answer. These units will be under control and the maximum rent is the lease rent plus or minus applicable individual adjustments, unless there has been an over-all increase in the area, in which event it may be higher. (See answer to question 16.)

16. Question. What will be the maximum rent on a unit covered by a 1947 or 1948 statutory lease which is terminated or hereafter terminates where the unit is located in an area covered by an over-all increase in rent?

Answer. The maximum rent will be the lease rent plus or minus applicable individual adjustments, or the maximum rent which would be in effect in the absence of a lease, whichever is higher.

17. Question. What provision is made for adjustments in maximum rents?

Answer. The Housing Expediter is authorized to issue regulations providing for adjustments in any or all maximum rents established under the act as may be necessary to remove hardships or correct other inequities. In making hardship adjustments he shall give due weight to the question as to whether or not the landlord is suffering a loss in the operation of his housing accommodations. This provision is the same as in the present law.

18. Question. Is any provision made in the bill to give assistance to tenants and small landlords to obtain fair rent adjustments?

Answer. Yes, the Housing Expediter is authorized and directed to appoint an officer for this purpose in every defense-rental area. These officers will assist tenants and small landlords by giving them full information concerning available rent adjustments and help them in the preparation of applications for such adjustments.

19. Question. Does the bill continue the existence of local advisory boards?

Answer. Yes.

20. Question. What authority is granted to such boards?

Answer. Their present authority is continued, namely, to make recommendations to the Expediter with reference to decontrol of areas or portions thereof, or classes of housing accommodations; recommendations for general adjustments in maximum rents in an area or portion thereof or with respect to any class of housing accommodations as are necessary to remove hardships or correct inequities; and recommendations concerning operations generally of local rent offices. In addition, they are authorized to make recommendations on individual adjustment cases to the local area rent offices.

21. Question. Must the Expediter approve such recommendations?

Answer. He must approve such recommendations within 30 days if they are appropriately substantiated and in accordance with applicable law and regulations.

22. Question. May a local board appeal from the Housing Expediter's disapproval of its recommendation?

Answer. If the local board follows the procedure required by the act in making its recommendation, and the Expediter disapproves such recommendation, the local board may file a complaint with the Emergency Court of Appeals within 30 days after notification of disapproval by the Housing Expediter. Under the present law the Housing Expediter is required to certify each such

case to the Emergency Court of Appeals within 5 days after his disapproval.

23. Question. Does the bill make any change in the period of time given to the Emergency Court of Appeals to make a determination in such cases?

Answer. Yes, the period is extended from 30 to 60 days (90 days in exceptional cases).

24. Question. Is any provision made in the bill for the decontrol of defense-rental areas or portions thereof?

Answer. Yes, the present provisions are continued. The Housing Expediter is authorized and directed to decontrol, on his own initiative or on recommendation of a local board, where the demand for rental housing accommodations has been reasonably met.

25. Question. May the Housing Expediter control areas not now under control?

Answer. Yes, but this authority is limited to the recontrol of areas which were decontrolled on or after July 1, 1947, or are hereafter decontrolled. Moreover, this authority does not apply to areas decontrolled as the result of approval by the Emergency Court of Appeals of a recommendation of a local rent advisory board.

26. Question. What provision is made in the bill for the establishment of maximum rents on housing accommodations in recontrolled areas?

Answer. The maximum rent in each case shall be the maximum rent last in effect under Federal rent control plus or minus applicable adjustments; or, if no maximum rent was ever in effect, the maximum rent shall be the rent generally prevailing in the defense-rental area for comparable controlled housing accommodations plus or minus applicable adjustments.

27. Question. Does the bill continue the present provisions for treble damage actions by tenants in overcharge cases?

Answer. Yes.

28. Question. May the United States also sue for treble damages in rent overcharge cases?

Answer. Yes, the bill changes the present law by giving the United States authority to sue in such cases where the tenant fails to act within 30 days after the date of the violation.

29. Question. Must the court award treble damages in all such cases?

Answer. No, the liquidated damages shall be the amount of the overcharge if the defendant proves that the violation was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation. This provision is also in the present law.

30. Question. Is any provision made in the bill for criminal prosecution against willful violators?

Answer. No.

31. Question. Is the United States given any other enforcement powers?

Answer. Yes, the United States may apply to the courts for appropriate injunctions or restraining orders in cases of violations, or threatened violations.

32. Question. Is the Housing Expediter authorized under the bill to conduct investigations and hearings and to issue administrative subpoenas?

Answer. Yes.

33. Question. Does the bill place any limitation upon a landlord's right to evict a tenant?

Answer. Yes, the Housing Expediter is authorized to issue regulations covering evictions.

34. Question. Does the bill continue veterans' preference in the sale or rental of new housing accommodations?

Answer. Yes.

35. Question. When do the veterans' preference provisions expire under the bill?

Answer. These provisions continue in effect until June 30, 1950, unless sooner terminated by a proclamation of the President.

36. Question. To what housing accommodations does veterans' preference apply?

Answer. The veterans' preference applies to newly constructed housing accommodations and housing accommodations created by conversions, completed after June 30, 1947. This includes prefabricated houses and dwelling units covered by any cooperative mutual ownership plan.

37. Question. What kind of preference is given on a first sale or renting?

Answer. Veterans are given first priority during the period of construction or conversion and 30 days thereafter.

38. Question. What kind of preference is given on a resale or re-renting?

Answer. Veterans are given first priority for a period of 7 days.

39. Question. Does the bill contain any restrictions on a sale or rental to a non-veteran at a reduced price?

Answer. Yes, the bill provides that no such housing accommodations to which veterans' preference applies may be sold, resold, rented or re-rented, to any person at a price or rent lower than that for which it had been last offered to veterans.

40. Question. Is the present provision for criminal sanctions in cases of violations of veterans' preference continued?

Answer. Yes; but not continued as to other sections.

Mr. BROWN of Ohio. Mr. Speaker, before yielding to the concluding speaker on this side, I wish to be permitted, out of fairness to the gentleman who has just addressed the House, to say to the Chair and to the House that the matter under discussion as to the vote in the committee on the particular amendment had been rather well and fully discussed in a public session of the Rules Committee, and there was no intent in any way to violate the secrecy of the executive session.

The SPEAKER. Not in the House of Representatives.

Mr. BROWN of Ohio. Not in the House as such.

The SPEAKER. The Chair has no control over committees or over public utterances.

Mr. BROWN of Ohio. A complete report of the session and the hearing and the testimony in the Rules Committee did appear in the public press and over the radio.

Now, Mr. Speaker, I yield 12 minutes to the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks and to include excerpts from certain letters.)

Mr. HOFFMAN of Michigan. Mr. Speaker, the statement of the gentleman from Texas that a vote for this bill was a vote for stabilization is, in one respect, true. For example, if a man owns a home and there is a tenant in it, and the rent is fixed, while the price of painting, papering, and repairing, the carpenters' and the plumbers' wages go up, there will be stabilization. The roof will continue to leak, the old paper will stay on the wall, and the plumbing will continue to be out of condition. There is no question about that because if the owner cannot make the repairs the place will not be repaired. In that way you will get stabilization.

SURRENDERING OUR HERITAGE OF FREEDOM

Mr. Speaker, one accomplishment of the disciples of the New Deal, of the Fair Deal, to which future generations will point with humiliation is the surrender of one of the freedoms wrested by the barons from King John more than 700 years ago.

After centuries of oppression and of slavery it was on the battlefield in the meadows of Runnymede that his then subjects forced King John, on June 15-19, 1215, to sign Magna Carta, the Great Charter, the grant of freedom which is the foundation of the liberties of our forefathers, of our freedom.

That Charter, among many other things, declared that the right of habeas corpus should not be suspended; that trial by jury should be the right of every subject charged with an offense; that the word of a subject should not be taken, even by the King.

King John put his hand and seal on an instrument which acknowledged and guaranteed many of the rights which we, centuries later, have come to regard as the right of the lowliest citizen of our land.

Then was laid the foundation for Sir Edward Coke's later statement which, translated, is, "For a man's house is his castle."

Third Coke's Institutes, chapter 73, page 161, has these words:

And yet in some cafe a man may not onely use force and armes, but assemble company also. As any may assemble his friends and neighbours, to keep his house against those that come to rob, or kill him, or to offer him violence in it, and is by contruction excepted out of this act: and the sheriff, &c. ought not to deal with him upon this act; for a mans house is his castle, et domus sua cuique est tutissimum refugium; for where shall a man be safe, if it be not in his house?

The statement in Semayne's Case, Fifth Reports, chapter 91, again laid down the doctrine that, and I quote:

The house of everyone is to him as his castle and fortress, as well for his defense against injury and violence as for his repose.

William Pitt, and again Burke, in his speech on the excise bill is credited with that historic statement which gave us these words:

The poorest man may in his cottage bid defiance to all the force of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter, the rain may enter—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement.

Perhaps the King of England may not enter a man's home; perhaps, with all his forces, he dare not cross the threshold of even the ruined tenement, but, by the action of the House today it is proposed by those who support legislation which may give away our liberties, which may give us a dictator and a tyrant, that the man in charge of the Office of the Housing Expediter may enter a man's home and that he may bring with him other men and women, their children, their dog and their cat, as well as, if they have one, the talking parrot.

More than 700 years ago, the poorest and the meanest, the poverty-stricken, found it necessary to fight a battle to

obtain the right to live, to be free from persecution, to enjoy that which they had earned and saved.

Is it because today there are more tenants than landlords; is it because Members of Congress are elected by popular vote, that we find it necessary to repudiate the doctrine of Magna Carta?

But this is not the first time that the lesson learned by King John has been forgotten by tyrants, or by would-be dictators. Five hundred sixty-one years after King John had been taught his lesson, another King of England, George the Third, having forgotten some of King John's promises, was reminded by the signers of the Declaration of Independence that certain truths were self-evident, "that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness."

Then, by that same document, he was told that—

The history of the present King of Great Britain is a history of repeated injustices and usurpations, all having in direct object the establishment of an absolute tyranny over these States.

Specific instances of his conduct tending to show that he was seeking to establish an absolute tyranny were cited and one of those instances was that "the King was quartering large bodies of armed troops among us." That is, that the King had forgotten or ignored the truth that a man's home was his castle and was forcing our colonial forefathers to take into their homes his soldiers, his officers, his agents and his representatives.

Eight long years of war were fought before the surrender at Yorktown demonstrated to the King that his former subjects were free, that again a man's home was his castle and that again the King's man had no right therein.

Our forefathers by the Revolutionary War freed themselves from kingly rule, established a new form of government—not a democracy, but a representative republic.

In an effort to make certain that neither one nor all of the branches of the new government should have the right to invade a citizen's home or to take his property for private or public use without his consent or just compensation, the Fourth and Fifth Amendments were written into the Constitution. The Fourth Amendment expressly stated, among other things, that the right of the people to be secure in their homes against unreasonable seizure shall not be violated. The Fourth Amendment was a restatement of a principle laid down in Magna Carta.

It was evidently assumed by the signers of the Declaration of Independence, and undoubtedly by the citizens of the States, when the fourth and fifth amendments to the Constitution were adopted, that the property of one citizen could not, without due process of law, be taken from him by another.

That fundamental doctrine, that principle of justice, had never, since the dawn of civilization, been questioned.

To protect the citizen against his own Government, the Fifth Amendment was

adopted. That, among other things, stated that no person shall be deprived of his property without due process of law nor shall private property, even by the Government, be taken for public use without just compensation.

The pending measure proposes to take from owners the use of their property, the property itself.

No longer can it be said that the income of property, the rent of property, is not property within the meaning of the Constitution.

Even if it be assumed that there are in these United States of ours a large number of citizens who are unable to find homes in which to live, will anyone contend that the duty to supply them with homes does not rest upon the Nation as a whole?

That such a duty is acknowledged by the Congress is evidenced by the legislation and the appropriations to build homes, to extend aid to the unfortunate.

Even if it be said that, being a Christian Nation, we cannot let some of our citizens suffer for want of shelter, by what reasoning is the burden of caring for them or of aiding or assisting them shifted from the Nation to another group of citizens, those who by their hands, their thrift, have obtained homes of their own?

Must we have another Runnymede? Must our citizens who are being deprived of their property by the Rent Control Act, after more than 700 years, fight another battle to reestablish their right to enjoy that which they have earned?

Must we have another Revolutionary War 173 years after our forefathers established their independence from King George III, to make good the statement of Lincoln, and I quote:

That men who are industrious and sober and honest in the pursuit of their own interests should, after a while, accumulate property and after that should be allowed to enjoy it in peace, is right.

True, we cannot permit our people to be without homes, without shelter. We cannot permit them to live in caves or in the woods or in the open fields. And if the local communities and private enterprise fail to give them shelter, then the Federal Government must do it; but shame, oh, shame, on a Congress which will take from the man, from the woman—yes, even from the widow past middle age, from the widow of a veteran—the right to an income through rent from the home, the property which she and her husband have worked for, have earned, and upon which she depends for her food and clothing.

The rent-control law, as everyone who has given it a moment's thought knows, is outrageously unjust. It is a confiscation of the right to the enjoyment of private property, not for the benefit of the state but for the benefit of those who belong to a minority group. It is a transfer of private property—in many cases without compensation—from one individual to another.

It is not only unjust and un-American, but it is a policy which is destructive of our liberty, and which, if followed through, would turn backward the hands of progress more than 700 years.

If tenants need assistance, then, instead of quartering them upon the premises of the landlord without just compensation to him, let us assume the burden as a nation and pay the property owner a subsidy.

If a minimum wage is good for the worker, then a minimum rent is good for the landlord. If a subsidy is necessary and good for the farmer, then the landlord is entitled to a subsidy.

If the painter, the paperhanger, the carpenter, and the plumber are entitled to an increased wage, then the owner of the tenement is entitled to a rent which will enable him or her to pay the ever-increasing taxes and insurance exacted by the Government, the increased costs of upkeep and repair.

Mr. Speaker and my colleagues, let us be fair. Let us not start on that road which leads only to oppression by compelling one group of our citizens to, at their own expense, furnish homes for another segment of the population. If we are to extend rent control, let us all—taxpayers—pay the cost—not penalize the property owners.

Excerpts from letters which illustrate the plight of many landlords are as follows:

Please do what you can to keep them from passing this new rent law. I am a middle-aged woman with a few houses left me by my father, the rents from which are my sole means of support. There are many like me. We have put all we have into property because it was always considered a safe investment. Now with property taxes double what they were when these rents were set and labor prices also double, we cannot make a living, with the very small raise the OPA gives us in a few cases because of hardship. My tenants are making considerably more than I am. My property tax is about nine times my income tax; but still the Government won't give us a break.

Please use all the influence you have to see that we property owners get a square deal. We don't want a rent-control board to tell us we have to take so much for living quarters we have for rent when the plumber and the decorator and the electric company and the water company and the taxes and the coal company all raise their prices on us; plus the destructiveness of the children of these young couples on an apartment—you would honestly think that a pack of wolfhounds had lived in the apartment when they move out.

I am a widow. My husband was a vet of the first war. I lost him 4½ years ago from causes received in the war. I have a 16-year-old daughter I have in school here at Emmanuel Missionary College and we have made our upstairs into an apartment. The carpenter's wages were very high; the painting and decorating is very high; the apartment has to be redecorated once every year because folks allow their children to write on the walls and tear off brand new wallpaper and tear chunks out of new linoleum rugs. Please help us to have a square deal.

Why a shortage of houses?

I was talking to a businessman in this town who contemplates building a house. Upon asking him how soon, this was his answer, "I am making too much money staying where I am to build now." Can it be he is waiting for the end of rent control before building?

I happen to know he is getting a house for \$25 per month, his landlady furnishing him housing at 1941 prices.

A complaint from a landlord shows how the agency's ruling in a hardship case would actually compel a landlord who claims her profit was but \$3.25 per week, to make a refund of \$10.25 per week.

That letter is as follows:

NILES, MICH., February 26, 1949.
Re rent control.

DEAR MR. HOFFMAN: 1. I wish to present what I sincerely believe is a "hardship case" in connection with rent control, although I am led to understand that a case cannot be considered a "hardship case" unless a property has been rented for 3 years, which is not the case in this particular instance.

2. First of all I feel I am a fairly well educated and intelligent person, otherwise I doubt if I could have held a position in the attorney general's office at Lansing for 2 years prior to my marriage (during the time Harry S. Toy was attorney general); however, I am very inexperienced in the art of renting property. The property in question is the first I have ever rented (I do not own the property, merely rented it, and rented it and I no longer have any interest in the property) and I shall never rent again.

3. If you will bear with me I should like to give you a detailed account of my story:

4. My father purchased a house just off the South Bend highway which is zoned for business. My home is just a block from this property (in Niles) and is also in the prescribed business zone. My father did not wish to rent his property on a monthly basis inasmuch as it would require 60 days' notice for removal of tenants if the property should be used for business purposes.

5. The housing shortage was very acute at that time and I felt it was a shame to have a vacant piece of property which might as well be doing someone some good. So, I hit upon the plan of renting it from him and in turn renting it to several girls, after furnishing it very tastefully. I believed this would be a beautiful set-up for girls who would ordinarily just be able to secure a sleeping room. With this arrangement they would have their sleeping quarters, plus a place to entertain their friends and an opportunity to cook their own meals. I thought in this manner if the property should be sold or used for business it would create no particular hardship on the girls moving just themselves and their personal belongings with a week or two notice and I would have endeavored to help them find another place to live. However, I have learned just recently that regardless how one rents, it still takes 60 days to remove a tenant, although I was not advised of this at the time.

6. Not knowing that a rental must be registered I started renting to girls on July 23, 1946. Form letter APP. C, dated September 23, 1946, advising me to register the rental was sent me. I went to the rent control office (then in Niles) to inquire about procedure in this matter and upon their advice on September 23, 1946, I filed form DH-1B, setting up the 5 room house, plus laundry, screened porch, storeroom and garage as a rooming house for four to six girls to rent at \$25 per week. In other words if there were four girls occupying the house each would pay \$6.25; if five girls, \$5 each, and if six girls, the individual rent per week for each girl would be \$4.16⅔. I was to furnish 6 tons of coal per season and \$8 per month on the utilities bills of electric and gas (automatic gas water heater); pay the water bill, for hauling of rubbish, ads, and interior minor repairs.

7. Shortly after this a notice of proceedings dated September 26, 1946, proposing to decrease rent to \$15 was received. Conference at the office and a thorough investigation resulted in no change from the original registration.

8. The early part of June 1947 I was called into the office evidently on a complaint from one of the girls and shortly thereafter an Order Adjusting Maximum Rent dated June 13, 1947, from \$25 to \$22.50 per week effective next payment date, signed by Mr. R. L. Jackson, was received. I then wrote a letter dated June 17, explaining additional services rendered and after investigation received a Modified Order Adjusting Maximum Rent dated July 10, 1947, changing the rent from \$22.50 back to the original \$25 per week, this final order was also signed by Mr. Jackson.

9. I was concerned with the moral standing of this home and after renting it for well over a year in this manner an episode occurred which decided me against continuing to rent to just girls. I broke up a party there one night about 2 a. m. which undoubtedly was innocent enough but there were about a dozen or more couples at this party—some were drinking beer and inasmuch as some of the girls present were not old enough I felt I did not want to assume any more moral responsibility for these girls inasmuch as they would not do as I asked them about having company after midnight, etc. As I lived a block away I could not always be cognizant of what was going on. So I told the girls they would have to move. This was in September 1947.

10. With the girl situation not working out too well, I felt the next best thing or possibly even a better thing would be to rent to two couples preferably with children, because lots of landlords will not rent to children. I proceeded to do this without the slightest thought that this would constitute a change at the rent control office. I was still accommodating as many people as I had before (plus children) and the expenses remained the same—in fact coal was higher, etc. In other words each couple's rent was \$12.50 per week regardless of the number of children and regardless if one couple were the sole occupants. The same rate that was charged for four girls. This was first rented to married couples the latter part of September 1947.

11. About the 18th of January, this year, I received a notice from the area rent-control office in South Bend that I was evidently overcharging. On the 19th, I went over to the office and there was interviewed by the attorney, Mr. Cholis. He said there were no complaints that in going through their files they found this registration which was entirely out of line. He stated that the original order or registration as a rooming house was made out incorrectly by the rent-control office—should never have been made out on that form at all. I volunteered the information that it had been rented for about a year to two couples and children at the same rate as set up originally, but that it was so difficult to get two congenial couples to live together and the constant complaint from one couple about the other couple and vice versa and trying to iron out their difficulties in a diplomatic manner was getting me down and I had decided to give it up as a bad job. I told him that only one couple had been in the house since before Christmas at \$12.50 per week. (I had interviewed lots of applicants, answered the phone dozens of times, but after talking with them I realized their interests were not in common with the tenant (Fatter) already there or some other factors were not conducive to a congenial living arrangement.) I told Mr. Cholis that before I received notice from the rent-control office I had spoken to Mr. Fatter, the tenant, about different arrangements. I told Mr. Fatter that if we couldn't find someone congenial I would have to give up the house—because of his children I was very concerned—and I asked him if he would be interested in renting direct from my father

with me getting out of the picture or if not perhaps it would be a good idea to keep his eye open for something else because I couldn't go on indefinitely paying him to live there. I didn't give him any notice or say he had to move—I was trying to make a workable solution for all concerned. Mr. Cholis then told me that regardless of whether one were renting furnished, by the week or otherwise, it still would require 60 days to remove a tenant.

12. He told me I would have to fill out a correct form on DD-U listing it as a two-family unit at \$12.50 per couple or family. I told Mr. Cholis that I didn't know the whereabouts of any of the tenants who had lived there previously, in fact had never seen them since they moved, so he told me to enter the starting date of the remaining tenant (not the date the first married couples moved in). Wishing to fill out this form then and there so I could get any information required and considering it just a routine matter—for I was getting out of it anyway and if it required a 60-day notice I didn't care much what they would eventually set the rent at—I wouldn't mind taking another 60-day loss. I made out the form in the office and left it there. The date the Fatters moved in was set as February 21, 1948. However, when I got home and checked my records I found it was January 21, 1948. Inasmuch as I didn't dream of any retroactive business and also because Mr. Cholis hadn't asked for the starting date of the first married tenants, I didn't notify them.

13. Next I received a notice of proceedings dated January 28, from the rent-control office advising the rent was set at \$14.75 per week for all occupants retroactive to February 21, 1948. The notice stated that I had the right to forward a statement to the office in writing if I felt this notice was not fair. Inasmuch as my cost of maintaining this establishment was more than the rental they set, I wrote a letter (copy attached hereto) which I felt would clearly show that I wasn't making an excessive profit on this venture. I took this letter over to the office asking to see Mr. Jackson. I was told he was busy but another man over there came up to the bar and talked with me. I asked him to read the letter and tell me whether I had included everything that was necessary—I stated that I did not set forth the expenses inasmuch as I was sure they knew just what all the services would be in connection with a rental of this nature. He said they would take my statement into consideration in reviewing the case.

14. On February 8, I received a final order decreasing maximum rent requiring refund to tenant with the same stipulation, \$14.75 per week for all occupants and refunds payable to all tenants retroactive to February 21, 1948 (meaning \$10.25 per week to be refunded). It was a waste of time to even write the letter.

15. This is really outrageous, because, if one tenant should be a disagreeable type that no one could get along with, he would be getting his rent for about \$32 a month (unless the order means that if one couple occupies the house alone their rent would be \$14.75 per week—but that isn't the manner in which I was renting—each couple knew that their rent would be just so much per week regardless of whether they were there alone or not) with me paying \$40 rent for the house plus heat, light, gas, water, refuse disposal, use of furniture, depreciation on furniture, repairs, etc. It just doesn't add up.

16. This was originally set up on a businesslike basis with a reasonable profit to myself for making possible the rental of this property in the acute housing shortage. It was not set up on depression rentals, as I could not have handled it on that basis.

For instance, this is the basis on which I predicated this venture in the first place:

Rent (which I pay)-----	\$40.00
Coal (\$18 per ton—furnished 8 tons instead of 6)-----	12.00
Gas and electricity (I paid at least \$1 more per month than stipulated)-----	9.00
Water bill-----	1.32
Refuse disposal (ashes, tin cans, etc.)-----	2.00
Advertising-----	1.80
Furniture-----	10.00
Depreciation on furniture-----	6.25
Repairs, plumbing, windows, grates for furnace, etc.-----	3.00
Total per month-----	85.37

So the overage between \$85.37 and \$108 was my profit per month if it were rented constantly. However, there were times when only one couple was there for a time and then my profit naturally was much less. As I stated in the enclosed letter I made \$5.56 profit per week last year but that was not figuring the \$10 went up for furniture; if I deducted that charge from my profit it would make my weekly profit about \$3.25 and I am supposed to refund \$10.25 per week—it doesn't seem to me that the rent control board was originally set up to require that hardship of any landlord.

17. As I mentioned before in this letter, Mr. Cholis stated there were no complaints but I have my reasons for believing Mr. Fatter must have made some kind of a complaint but what it was I wouldn't venture a guess because he had mentioned several times to me what a decent landlady he thought I was inasmuch as I never snooped around over at the house. When a tenant would move out I would go over and see that the bedroom was in order for the next tenant. I felt that it was their home and as such they should have the privacy of it. One reason why I believe a complaint must have been made is that on the form DD-U which Mr. Cholis had me fill out I listed the name of the tenant as Mr. and Mrs. William Fatter and on the final order which I received from the office in the lower left hand corner the name of the tenant was listed as William J. Fatter, 941 Maple Street (the address of the rental property in question), Niles, Mich. I never knew his middle initial. Another reason why I believe Mr. Fatter made a complaint is that a local member of the rent advisory board after talking to Mr. Jackson was informed of this complaint and told me.

18. Something Mr. Fatter doesn't know is that last summer my husband wanted me to give up the house—that it wasn't worth the time and effort I was putting into it—but I felt inasmuch as the Fatters were steady and apparently good tenants and had two little children it would create a terrific hardship on them to find a place to live on account of the children—so I continued on trying to get congenial cotenants. However, when he left without bringing me the keys or the \$3 overage he owed on the utilities—but worst of all moving out in the dead of winter when the pipes could have frozen—does not show the same consideration to me that I gave him and his family. If it hadn't been for the children I would probably have closed it out long ago. When I approached Mr. Fatter about renting the house direct from my father, I even sat down and figured out what his expenses would be and if he got another couple in with him to help share expenses it figured out to about \$11 per week for each couple in the winter and about \$8 per week for each couple in the summer.

19. Inasmuch as I didn't know the whereabouts of any of the tenants, I was told by Mr. Jackson that I should bring certified checks to the office and they would have the FBI look up the missing tenants. Is the rent-control office in the practice of trying to scare all landlords? If so, my

conscience was clear and I didn't scare. Instead, I contacted the FBI and learned that this is foreign to their work.

20. Now, to sum up, Mr. Jackson signed the original order of \$25 per week when it was set up for girls, and when I drew his attention to the fact that he signed this order he claimed it was all right as set up then. However, Mr. Cholis, the attorney, said it was all wrong in the first place and I'm lucky they don't make it retroactive to the first date it was rented to girls. Surely, when a property is thoroughly investigated by the rent-control office and an order set by that office, it should be considered legally in force until a change is made by the rent-control office. I learned from another source that it was not properly set up in the first place—that is, on the wrong form—so should I be penalized for a mistake made by the rent-control office upon which I acted in good faith? Had they set it up in the first place at the rate they now feel is right, I would never have undertaken the project. Of course, I realize ignorance is no excuse in law; however, as I stated before, I innocently assumed that there was no change in renting to two couples with children than to just girls. This assumption surely should not be considered as grave a mistake as the one made originally by the rent-control office. They should know the rules and regulations when it is their business better than I, who am an inexperienced landlord.

21. It seems if a complaint was to have been made, it should have been made months ago, rather than now when I no longer have any interest in the property. And isn't the tenant just as much at fault for not asking to see the registration form and signing it?

Application to the Administrator here in Washington brought only the statement that the landlord better pay or she would be subject to a triple penalty.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, the bill now under consideration, H. R. 1731, will, if enacted into law without major changes, aid greatly in relieving the effects of the critical housing situation in metropolitan areas.

Rent control is highly essential if we are to proceed with the President's anti-inflation program outlined in his economic report to the Congress. The President, after his Economic Commission made a thorough study of the housing situation, recommended that rental regulations be extended and strengthened in order to aid the millions over the country who are enduring deplorable housing hardships. The cost of housing, whether rentals on hotels, apartments, or houses, is an important item in this present high cost of living. We are at present highly short of apartments and houses at reasonable prices. The veterans of our country, unfortunately, in too many instances, have been the victims of avaricious builders and greedy landlords. Of course there are a great number of exceptions, but in the Calumet region of Indiana I have had numerous complaints from World War II veterans who have been victimized by purchases of unstable and poorly constructed homes. These veterans could have avoided this situation if it had been possible for them to obtain apartments, hotel rentals, or housing at a reasonable cost. Many veterans and other people have already bought houses at inflated

prices that they could not afford and were not financially able to handle. These people are having difficulty in keeping a roof over their head and pay the high cost for food, clothing, and other necessities.

Release of rental controls would force many thousands of additional families to vacate and resort to any means for temporary shelter. It would force millions to increase their rental payments at the expense of medical care, clothing and other necessities of life to the detriment of health, contentment and other essentials for their future.

I received numerous letters from tenants in a combination apartment hotel in my district that the management has raised their rentals three times in the last 15 months. This building houses a great number of people of moderate means, including school teachers, who cannot find any other suitable living quarters in that area.

I realize a great number of smaller landlords have been inconvenienced and hampered on account of rental controls. Almost without exception, whenever they complained to the local area Rent Director in my district, he willingly made reasonable adjustments so they could receive a just and fair return on their property.

Numerous witnesses appeared before the Committee on Banking and Currency not only from Chicago, New York, Los Angeles and large industrial areas, but also from smaller communities in our Nation, insisting that present rent controls be continued and expanded until the housing crisis is relieved.

Every Member of Congress should read as much of the testimony that has been offered to the committee as possible in order to get a true picture before he votes against the bill now under consideration.

Mr. SABATH. Mr. Speaker, in view of the statements made that the bill does not provide safeguards and benefits to the veterans, I am going to read for the benefit of the gentleman from Michigan [Mr. HOFFMAN] and the gentleman from Ohio [Mr. BROWN] the following provisions in the bill:

SEC. 2. Section 4 of the Housing and Rent Act of 1947, as amended, is amended to read as follows:

"SEC. 4. (a) In order to assure preference or priority to veterans of World War II or their families—

"(1) no housing accommodations designed for single-family residence, the construction or conversion of which is completed after June 30, 1947, shall be offered for sale or resale, or sold or resold, to persons other than veterans of World War II or their families, unless such housing accommodations have been publicly offered for sale exclusively to veterans of World War II or their families (a) during the period of construction or conversion and for 30 days thereafter, prior to a sale or offering for sale to such nonveterans, and (b) for a period of 7 days prior to a resale, or an offering for resale, to such nonveterans; and

"(2) no housing accommodations designed for occupancy by other than transients, the construction or conversion of which is completed after June 30, 1947, shall be offered for rent or re-rent, rented or re-rented to persons other than veterans of World War II or their families, unless such housing accommoda-

tions have been publicly offered for rent exclusively to veterans of World War II or their families (a) during the period of construction or conversion and for 30 days thereafter, prior to a first renting or offering for rent to such nonveterans, and (b) for a period of 7 days prior to a subsequent renting, or offering for rent, to such nonveterans; and

"(3) no housing accommodations designed for single-family residence, the construction or conversion of which is completed after June 30, 1947, shall be offered for sale or resale, or sold or resold, to any person at a price less than the price for which it had been last offered for sale to veterans of World War II or their families; and

"(4) no housing accommodations designed for occupancy by other than transients, the construction or conversion of which is completed after June 30, 1947, shall be offered for rent or re-rent, or rented or re-rented, to any person at a price less than the price for which it had been last offered for rent to veterans of World War II or their families."

Mr. Speaker, in view of these provisions does the gentleman from Michigan or the gentleman from Ohio still contend that the bill does not take care of the veterans in every possible way?

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BROWN of Ohio. Will the gentleman advise the House whether the sections of this bill which pertain to veterans have anything at all to do with rent control?

Mr. SABATH. They have.

Mr. BROWN of Ohio. Will the gentleman explain how?

Mr. SABATH. It is bound to affect them, because in that case there will be more places for rent to these men, where now there are not enough.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOFFMAN of Michigan. I did not intend to make, and do not believe I did make, any statement that this bill did not give a benefit to veterans. The point I was trying to make was that there were veterans on both sides of the proposition, and I cited a case of a veteran's widow who owned a home and wanted to rent it.

Mr. SABATH. I am very glad that the gentleman made that clear to me. The gentleman from Michigan quotes King John and other kings. History tells us that the proclamations of King John and other kings were merely lip service to their subjects in an endeavor to appease them. I, myself, have never been in favor of the lip service of any kings, and I do not recall where kings have been of benefit anywhere so far as the liberties and rights of men and women are concerned. Surely, not in our own country. Now, so much as to the proclamations of the kings.

Mr. Speaker, I agree with the views of Abraham Lincoln. This bill aims to carry out what he stood for and advocated. So far as the case of the widow is concerned, I have had five or six of these widows interview me. Whenever they permitted me to ask questions, I learned that they owned not only one but three or four apartment buildings. They were nicely dressed and I did not observe from their appearances that they suffered

financial losses due to the controlled rentals of their properties. I further ascertained that none of these unfortunate widows, who have been sent down here by the million-dollar real-estate lobby, have lost any money or that their properties have been foreclosed in the last few years. In fact, these small owners, I venture to say, whenever they made a complaint that they were not fairly treated, have had their complaints adjusted, and the only reason relief was not more speedily granted was because the Eightieth—Republican—Congress failed to appropriate sufficient money for personnel to administer prompt relief and adjustment of rentals in such cases where a just or valid claim for increased rental existed.

May I say to you gentlemen that I know something about real estate. I started when I was 21 years old. I have built some homes, and sold thousands and thousands of lots and homes in years gone by, and I am pleased to say that I never foreclosed on anybody or had anybody thrown out of their homes. Furthermore my family owns several fairly decent apartment buildings. They are in favor also of an increase, but I, representing the people and knowing the sad plight of the veterans, the white-collar workers, and people of low income, who have been unable to find a place to live within their means, find that my conscience and my heart dictate that I must and should give preference to people who are in distress and who are unable to pay higher rent for decent living quarters.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. McCORMACK. As an indication of the problem of some of our veterans, I call to the attention of my colleague an advertisement which appeared recently in the local newspaper in Pittsfield, Mass. I quote:

Will exchange 13 Air Medals, 6 battle stars, Victory Medal for apartment, furnished or not, for wife and children 5 and 4 years. Dial 2-3474 evenings.

That is an advertisement which a veteran put in the paper seeking an apartment.

Mr. SABATH. Mr. Speaker, I wish I could show you the thousands of letters that I have received from veterans as well as other people pleading and urging that something be done to obtain the passage of a measure for the extension of rent control to enable them to obtain decent living quarters at a reasonable rental. The charge that property owners have suffered because of the increase in taxes and so forth is not well founded.

In years gone by 10 percent, or 2 months, were allowed for vacant apartments. Under present conditions there have been no vacancies anywhere, and every landlord has received full 12-months' rent. Therefore, that more than offsets the increase in the cost of coal, maintenance, and increase in taxes, and no property owner has had his property foreclosed as was the case before rent control was enacted when, during the Republican administration, thousands and thousands of homes were foreclosed.

Mr. Speaker, the extent to which these large combines of property owners will go, is amazing. You undoubtedly read in the newspapers several days ago an article that described the situation in Oklahoma and other large cities, where some owners will refuse to rent their apartments if rent control is continued. I have heard that same threat in my own city of Chicago, from unscrupulous, dollar-hungry, avaricious, wealth-seeking accumulators, most of whom spend their winters in Florida at Hialeah, and the summers in Maine and Canada paying exorbitant prices which they can obviously afford. All this at the expense of their tenants whose rents they have increased from 50 to 200 percent.

I heard personally, from many men who have lived in these apartment hotels for years, and where rents were increased last July from 150 to 200 percent, that they were forced to move in order to give the owners an opportunity to create some additional transient space which they can rent three times a day and at what a price.

Therefore I feel, though I am in favor of this bill, that we should adopt a positive amendment that will stop this abuse, and also others that purport to give the tenant a break, such as the offer of co-operative apartments which people are forced to buy in desperation at three times their actual value.

I have a letter here which I just received, and hundreds of similar letters, which state, and I quote:

Why should a building have no rent control on any portion of its space, just because it happens to have a limited number of rooms available to transients? There are a number of hotels in Chicago which have always housed a number of guests on monthly rates and yearly leases. In such of these where there happens also to be a few transient accommodations, the landlords have doubled and in some cases tripled the rents to the permanent guests. Many of these people have set incomes and are retired or semi-retired, and a great hardship is being worked on them. We certainly believe that the rent-control bill should designate permanent living quarters as apart from transient quarters, regardless of the building or whether it contains both such types of guest apartments. The point would seem to be a matter of protecting the people entitled to such protection, and not just a blanket coverage based solely on the buildings without due consideration to the facts concerning the individuals involved.

Landlords are not suffering, and as one who represents perhaps more property owners than any Member of the House, having over 440,000 people in my district, most of them being small-apartment and private-home owners, I am interested in the small property owner. That is the reason I am for this bill, because their rights and their interests will be safeguarded and protected in this bill, notwithstanding what some gentlemen may say.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOFFMAN of Michigan. I have two questions. First, assuming that the ad which the gentleman from Massachusetts [Mr. McCORMACK] read was inserted by a veteran, do you think that

he, being a veteran of either the first or the last war, would want a widow of a First World War veteran to furnish him an apartment at less than it cost to keep it up?

Mr. SABATH. You know there are exceptions to every rule and of the thousands and thousands and thousands of people, you might get a letter from a woman who claims to be a widow, very likely a letter dictated by some of these big property owners who obtained the property at 10 or 15 or 25 cents on the dollar during the Republican crash, and of course you cannot go by that.

Mr. HOFFMAN of Michigan. Will the gentleman yield for one more question?

Mr. SABATH. I yield.

Mr. HOFFMAN of Michigan. The gentleman was talking about some 250,000 people in his district.

Mr. SABATH. No. Four hundred and forty thousand people.

Mr. HOFFMAN of Michigan. Over in Allegan County, Mich., with fertile soil, there is a big place over there, a 14-, 15-, or 16-room house. Why do you not take some of them over there and let them raise gardens and the food will be a great deal cheaper?

Mr. SABATH. With the extremely high prices that the farmers are receiving today for their products, I think it would be well for people to take to farming and thereby raise some of the products which are selling for the highest prices in history, all because of legislation passed by this House. I am proud of it. I voted for it. I wish to help the farmer whenever possible, but this does not alleviate the undesirable conditions that exist in present housing-accommodation availability. I am profoundly interested in the unfortunate man who has been unable for some 2 or 3 years to find a decent place to live in for himself and his family at a reasonable rental that he can afford to pay.

I know that this bill will make possible some relief for these unfortunate people.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1731) to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1731, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Kentucky [Mr. SPENCE] is recognized for 2½ hours. The gentleman from Michigan [Mr. WOLCOTT] will be entitled to recognition for 2½ hours.

The gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. McCORMACK. My purpose in asking my friend to yield was to announce to the Members present that later in the day when we go back into the House I shall ask that when we adjourn today we adjourn to meet at 11 o'clock tomorrow. It was impossible to submit the unanimous consent request at the close of debate on the rule because the time had been exhausted, but I want to make this announcement so the Members will know what the program will be; and I may say that if we dispose of this bill tomorrow that it is planned to adjourn over until Monday.

I thank the gentleman.

Mr. SPENCE. Mr. Chairman, we are going to hear a great deal about the constitutional questions involved in the control of rents, and a great deal about the American way of life. We always hear such arguments when there is any movement for the protection of any great segment of the American people. I think the Constitution of the United States is the greatest instrument ever devised by man; I think ours is the finest form of government under which man has ever lived, but the Constitution of the United States is not a strait-jacket, and the Constitution bends to meet the necessities of our people. Those questions were all foreclosed about a year ago when the Supreme Court of the United States decided that an emergency still existed which would warrant the imposition of controls on rents. It did not hold, as some decisions have, that the Court could not nullify legislative findings of facts. This was decided in the case of *Miller against Woods*, and that was a unanimous decision of the Supreme Court; so that question is foreclosed as to the constitutionality of this act.

Why was the Rent Control Act passed originally? For more than 6 years the American people had been engaged in a war into which they were drawn against their will, for 3 years a fighting war, and before that we were the arsenal of the democracies of the world. All of the efforts of our industries and all of the efforts of our people were devoted to fighting that war. During that time practically no housing was built in the United States; we had 12,000,000 men abroad. When they came back home the emergency for housing was greater than it was while they were away. The emergency still exists.

I do not want to favor a law that will not be just to both the landlord and the tenant, but we have got to give some protection to our people. I heard the gentleman from Michigan talk about the dignity of the home, and it is a dignity that has long existed in British law and in our law. Lord Coke, the great English jurist, said that a man's house may be built of rough boards and roofed with thatch; the wind may blow through it, and the rains may enter it, but the King cannot. That is what we are trying to get for the people of America—homes. It is essential that they should have homes. A Member this morning talked about the subversive

activities that were going on in the United States; they are not coming out of homes. The home is the greatest pillar of our Republic; it is the stabilizer of our institutions, and when we provide homes for the American people we are doing something to destroy sinister influences in this country.

No man is required to rent his house under this law; no man is required to sell it, but we have said to the man who has a house for sale or for rent that during the period of construction and for 30 days thereafter, if it is for sale, he must first offer it to a veteran, and he may not sell it at a higher price than the lowest price for which he offered it to a veteran. We include that same provision with reference to rental property. You must offer it to a veteran for 30 days before you offer it to anybody else. On a resale you must offer it to a veteran for 7 days for sale and 7 days for rent.

Why all the turmoil and shouting about this provision? That was in the last act. That was in the act passed by the Eightieth Congress, and is still in the act. Why was that done? Because the veteran was away. He had been away a long time, and when he came back he had to have a home, and we were trying to get him one. I do not think there is anything unconstitutional or un-American about that.

Mr. Chairman, of course, nobody can make an argument that there ought to be confiscation of property. Both sides should be treated fairly. We think in this particular bill we have accomplished that result.

There have been many complaints in the past that those asking for adjustments to prevent inequities and hardships have not been able to file their complaints with sufficient celerity to have justice administered. In this bill there is provision made for an officer of the Expediter in each defense rental area to make out the complaints just as the expert in the Internal Revenue Department helps you make out your returns. I think that will greatly facilitate the adjustment of these claims and will be a means of rendering justice to both sides.

We have in this bill repealed that provision where the owner or his family have lived in the property for a period of 2 years after February 1, 1945, and had subsequently rented, the property was thereby decontrolled. That was introduced in the bill for the purpose of acquiring additional housing. But we have found that in many instances the owner who owned several apartments or several houses left the one he lived in and rented it. It was not under control. He went into another apartment. It resulted in an inequity that was so apparent and so flagrant that we repealed that provision of the law.

I have seen some statements in the press that we have broken faith with those who have left their residences or their apartments and rented them. It is my conception of the law that a Congress does not break faith when it repeals a law, whatever rights may have been acquired under it. If that were true, one Congress would have its hands tied because another Congress had

enacted laws under which interests had been acquired. Of course, there is no merit in any such contention. The Expediter found that was used as a means to increase rents to the point where they were not comparable with other rents. He told us in committee of the inequities and injustices that had come about.

We have repealed the criminal sanctions in the former law with reference to the violation of regulations by landlords and have placed in here instead a provision that where the tenant for 30 days fails to bring suit for treble damages, which was provided in the previous law, the Expediter may bring that suit. We have found that although tenants had the right to bring suit for treble damages where rents had been over the ceiling, they failed to do so because of the fear of eviction by the owner. So the Expediter now has the authority to bring that suit, and he probably in many cases will bring it if the tenant fails to do it. It will be a means of compelling the landlord to comply with the regulations of the Expediter.

As regards evictions, there were certain causes for evictions stated in the law: that the owner wanted to use the property for himself or his family; that he wanted to take the property off the rental market; that he wanted to remodel the property. These were suggestions as to what he could do to get the property. Under that there were mass evictions in some places. We have repealed those provisions and have provided that evictions shall be subject to the regulations of the Expediter. It is the only effective way administration of the law could be accomplished. And I have no doubt that those regulations and rules will be fair and impartial. I have no doubt that the Expediter does want to rectify the injustices and the inequities as he has been directed to do so.

We hear a lot of talk about bureaucrats. A bureaucrat is an administrative officer that must carry out a law. There is no way to enforce laws without having those charged with their enforcement. They are subject to the frailties and the fallibilities of human nature. The only laws that I know of that enforce themselves are the laws of nature. A man knows, when he violates those, what the result will be. But we must have somebody to carry out the law and this is the only way that we can administer it, and we must give him full and adequate powers to accomplish that purpose. I know of nothing worse to the morale of our people or to our institutions than to enact a law that is not enforced or will not be enforced. People have a contempt for that law which results in a contempt for all law.

I have heard a good deal of talk about sending this back to the States. None of the governors of the States want this. You do not have to send anything back to the States. The States have this power. The powers that the Federal Government has are those delegated by the people of the States. The powers that were not specifically delegated were retained by the States and the people. So, they primarily had this power and they did not want it and they do not want it now. That is but a device to do

away with rent control. It will destroy it. It means that you vote against the bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Chairman, I yield myself five additional minutes.

Then there is the proposition to continue rent control for 90 days. What we are trying to do now is to stabilize our institutions, to stabilize our economy, to let men know exactly what the future will bring forth, to give them confidence. To continue this law for 90 days would only result in chaos and confusion. Neither the landlord nor the tenant would know his future. How would the tenant feel if he thought he had a contract whereby his family might remain in the house where they resided for only 90 days? What are the worries and hardships that come upon a man when he goes to look for a house these days? I hope you will not vote for the 90-day extension.

There is more than rent involved in this case. There is more than the relationship between the landlord and the tenant. There is the stabilization of our economy. I do not know what the result will be if you do away with rent control at this particular time.

Housing is the prime necessity of our citizens. Civilized man must have shelter. If you raise the rents of the American people you have to raise their wages. If you raise the wages of the people, you have to raise the cost of everything they eat and everything they wear. It is a spiral of inflation that we are attempting to fight now. It is a danger that confronts each one of us. After the boom comes the bust. Let us not do anything to bring that catastrophe upon us after this great war. We have done pretty well up to now. We have pretty well stabilized our economy as far as is possible. If we turn loose these forces I do not know what the result will be.

Is there a man here who will say there is not a shortage in housing? Of course not. The Supreme Court of the United States said that a year ago. It still exists. The cost of everything depends upon supply and demand. There is a little supply and a great demand for this great necessity.

I do not say that all landlords would raise their rents. There are many good landlords. There are many landlords who have personal and friendly relations with their tenants. But there are some landlords that would raise their rents. They would raise them out of all reason. It is that minority, only those who try to impose upon their tenants who will feel the impact of this legislation. I want you to think of that when you come to vote for this.

This is not a political question. I know that on the minority side there will be an almost unanimous vote against the bill. If you beat it, the American people are going to know where that responsibility lies. They are pretty sharp about that. I want you to think of it also.

Mr. WOLCOTT. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, we have had some sort of rent control since 1942, and each year we have continued rent control in some

form. Only once before has rent control been extended for more than 1 year. On one occasion we continued rent control for 18 months. Now, 3½ years after the cessation of hostilities, when we are enjoying a de facto peace, we are asked to continue rent control for 15 months with an expansion of powers of very unusual nature, and in some particulars we give the Expediter broader powers than he has ever had before under rent control. We should ponder the necessity of expanding this power in times of peace.

To provoke thought, I want to make a statement which will for political purposes be denied, but which for practical purposes must be admitted, that if we continue rent control for 15 months now, without any more knowledge than we have about where we are going in this economic transition that is taking place, then you must reconcile yourselves to the fact that we have established rent control as a permanent policy of the Government.

As the gentleman from Kentucky said, there were other things in this bill besides rent control. Title I of the bill has to do primarily with veterans' preferences. It contains provisions now that have never been in law before. If it is enacted in the form in which it is presented, we take the chance of completely drying up the real-estate market and giving only lip service to those whom we most want to help. Existing law provides that any newly constructed property which is to be sold as distinguished from property which was constructed for the occupancy of the builder by contract, or others, must be first offered to a veteran for 30 days. If the property is being built to rent, the property must be offered first to a veteran for 30 days for rent. That has been the law since 1946. The reason why it is in here now is because, of course, we set up the Expediter under that 1946 act to administer the allocations and priorities in respect of veterans' housing. The reason we took the action which we did was during the year when the Government had control over the distribution of every ounce of building materials and every hour of man labor which went into the construction of homes, we built about 413,000 units. When the Eightieth Congress removed those restrictions and wrote existing law in 1947, the same industry built 840,000 units, almost twice as many as had been built under Government control. During this last year, notwithstanding the statements of demagogues to the contrary, private enterprise—not the Government—built 947,000—and some-odd units, the greatest number of units that had ever been built by any country in the history of the world.

I am fearful that, because you give these preferences on resales and on rents, you will completely dry up the sources of investment capital in housing, and that we will be doing just the opposite which we intend to do. Of course, that authority runs to June 1950 and there is no way to correct that except by an act of Congress or by a proclamation by the President.

In respect to these priorities in title I, the Congress cannot get rid of them by concurrent resolution, as it can get rid

of rent control. So free enterprise, the industry which we have to rely upon to build rental properties and to build homes is completely at the mercy of the administrators of the law. I will not argue with you about whether or not the Congress could, by the enactment of legislation, do away with it, because, of course, it would take a two-thirds majority of both Houses to do so.

Now, if we may go on to rent control. There are some very important differences. Let me repeat that I doubt the advisability of expanding rent control 3½ years after the cessation of hostilities and at a time when the national income is decreasing. I wish you would have in mind, Mr. Chairman, that it is axiomatic that vacancies in rental properties increase almost proportionately as national income decreases. That is why I advocate that we continue existing law as it is now until June 30, 1949, with assurance that this Congress will have to take another look at it before we adjourn, and, in the light of whatever changes may have taken place in our economy between now and June 30, we can then determine intelligently whether rent control should be continued, and the manner in which it should be continued and the standards which should be set up for its administration, in the light of whatever economic changes have taken place in the meantime.

Now there are precedents for that. The Ways and Means Committee of the House has argued, and argued well, that we should not consider tax legislation because of the changes which are taking place in our economy. They believe, undoubtedly, that we cannot intelligently enact tax legislation to fit into the changing economy, because we do not know what changes are taking place or are going to take place.

The Federal Reserve Board within the last 10 days has eased up on credit requirements under the so-called regulation W in recognition of the fact that there has been a diminishing demand for goods in several lines. I do not need to enumerate them. The papers are full of them. Decreases in production, decreases in demand, decreases in prices. And it naturally follows, decreases in national income, attending lack of production, lowering of prices, and so on.

Let me repeat, it is axiomatic that vacancies in rental properties increase almost proportionately as the national income decreases. I argue seriously. All of the groundwork has been laid. All of the hearings which are necessary have been had. Perhaps about the 1st of June we might have one session to bring ourselves up to date on what has happened to the economy, and during that month we would have ample time—more time than we have now before March 31, when this bill expires—to review this situation in the light of whatever changes have taken place.

Have in mind, Mr. Chairman, that I have always voted for rent control. To be sure, I have been denounced for being against rent control; and I have been denounced—in fact, my home has been picketed—for being for rent control. It is a rather unique position that I hold, having been denounced by both sides of

the question, a situation which, I can assure you, I did not enjoy very much. Nevertheless I like to think that I have been sensible in my approach to this question. I am firmly of the conviction that we should discontinue rent control just as rapidly as we possibly can; and, Mr. Chairman, this House, this Congress, is firmly convinced that we should do just that, because the declaration of policy to the effect that we should get rid of rent control just as rapidly as possible is not disturbed; and it seems to me that, under these present economic conditions, because of these fluctuations that are taking place at the present time, we are doing a most inconsistent thing to broaden rent control, expand rent control, give these new and unusual powers to the Expediter and at the same time leave a declaration of policy in the law that we should get rid of rent controls just as rapidly as possible. We announced to the world in the declaration of policy that we wanted to get rid of rent control just as rapidly as we possibly could, yet at the same time you are putting back controls on properties which had never been under control before. You are putting provisions in this bill which have never been in any rent control bill before in respect to powers of the Expediter and controls under the bill. I will take a short time briefly to skim over some of the powers which are reinstated, stressing those cases where the powers of control have never existed before.

Under the language of existing law we decontrolled all units in hotels where they were transient hotels, or apartment hotels, or residential hotels, provided that the hotel gave the hotel services ordinarily given by a transient hotel. That was the formula; that was the standard: Did the hotel in respect of any particular accommodation within the hotel give the maid service, the janitor, the bellboy service, the linen service, the secretarial service that is ordinarily given in a hotel? And unless those services were given that unit would not be decontrolled. It was a formula recognizing the increase in the cost of those services. But in the proposed bill we leave transient hotels out from under control; even though there are permanent units in these transient hotels, and even though the occupants of those permanent units have never had these hotel services; you decontrol them if they happen to be in a transient hotel. What is a transient hotel? No one knows; no one knows. We leave it to the Expediter to determine what is a transient hotel; he may hold that a transient hotel is a hotel that had 100 percent transient occupancy, and "transient occupancy" could be defined as occupancy for not more than 24 hours. We give him carte blanche authority to tell the trade what is a transient hotel. But notwithstanding the fact that in a residential hotel all of these services, and more too, are furnished, that hotel goes back automatically under control notwithstanding the fact that a majority of the units in the so-called residential or apartment hotel as found by the Expediter may be strictly transient units. So, of course, the sensible thing to do is to put this not on a hotel basis

but on a unit basis. That is what we did and it has worked out very satisfactorily.

Heretofore trailers and trailer space have been decontrolled. They have not been under control. In this bill we re-control all trailers and all trailer space which are not used for transient occupancy. No one who operates a trailer camp knows whether he comes within the controls or not, for the very reason he does not know what regulations are going to be set up, and we do not set up any standards in the act for the Expediter to follow in determining whether a trailer space is there for transient occupancy or permanent occupancy. Nobody will know until the regulations are published. You will not know what they are; this Congress will have no right to know, because it gives carte blanche authority to the Expediter to make such regulations as he desires to make in respect to all of these controls and all of the recontrols.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. DONDERO. Did the gentleman say that all new construction from now on would come back under control?

Mr. WOLCOTT. No.

Mr. DONDERO. I misunderstood the gentleman.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, heretofore all units which had been converted after February 1, 1947, for rental purposes were out from under control. These reconverted units will come back under control unless after the control has taken place, after expenditures have been made to reconvert them, the Expediter holds that they should be decontrolled. So, of course, you are going to get no converted units under this bill for the very reason that no one in his right mind is going to convert property for rental purposes unless he knows they are not going to be under control. They would have converted them before this if they were sure they were not going to be controlled. You cannot blame anybody for not converting a unit for rental purposes and take a chance in light of the history of the administration of this law, even though they have spent thousands of dollars in converting a home and making available five or six new units; faced with the fact they have no certainty that the Expediter is going to decontrol them, of course, they are not going to go to that capital expense, notwithstanding the fact that the Administrator might, by regulation or otherwise, lay down a certain standard. We laid down the standard 2 years ago that the Expediter shall make adjustments to prevent hardships and correct inequities. He has not done so, and if the Expediter will not follow the clear mandate of the Congress in that respect, then, of course, you know from the history of the administration of this act, he is not going to make it very easy for anyone to get out from under these controls.

He may recontrol any unit which has been decontrolled by any administration action since February 1, 1947. That means all of these units in any defense rental area which have been decontrolled by the Administrator on the recommendation of the Board which has been substantiated will go back under control. It means that all of these units which come onto the market, which have not been rented for any 2-year period—and there are thousands of them—since 1947, go back under control, notwithstanding the expenditure of thousands of dollars, perhaps, for reconversion of those units into rental units. So, every unit which has been taken out from under control, excepting those which have been taken out from under control by action of the Emergency Court of Appeals, go back under control under this law.

Now, to appease that situation we set up a helper, an officer, in every rental area. There are 767 local advisory boards serving approximately 600 defense rental areas, and all of a sudden, when we should be sloughing off these controls and getting rid of them, we make it possible for them to put 600 people on the pay roll. If it is to be at a salary of \$3,000 each per year, it is pretty close to \$2,000,000, is it not? To do what? To inform small landlords. There is no definition of what a small landlord is. Under the language of the law they do not inform landlords of five or six apartments, perhaps, if the Administrator says that you shall inform anybody who has less than four. We do not know what he means by small landlords. We know he does not mean small landlords in stature. But, we do not know anything more about it than that. They are to inform them concerning the conditions under which rent adjustments may be obtained. Well, the fault to be found with these adjustments is not any lack of knowledge on the part of the landlord in respect to his procedural rights.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

Or that he does not know what his rights are. The letters which we get, the complaints against the administration of rent control, have to do with the failure of the Administrator to act after the matter has been presented to him. It is very obvious that they knew what their rights were, and they did not have to go to a friend of the court or somebody else to be told what their rights were. And they can get some help from this helper in the preparation of applications for rent adjustment and advise them on such other information as may be necessary and appropriate. It makes it possible to extend the administrative forces of rent control by at least 600 new employees. I would like to know what the Bureau of the Budget has to say about that. The President was never consulted on that one. He has not put that in his Budget. That was something, apparently, to appease the so-called small landlord and the tenant; appease them by a potential expenditure of over \$2,000,000 predicated upon a minimum \$3,000 salary for each helper.

Now, as to the review. Understand that there are no evictions here whatsoever unless the Expediter says that the tenant may be evicted. We set up the standards in existing law. But we do not know how or under what circumstances a person may be evicted because the Expediter under this law is given carte blanche authority to provide his own regulations in respect to evictions. But there is a very interesting thing with respect to review. At the present time you can get a review by the Emergency Court of Appeals in about 60 to 90 days, but under the language of this Act the matter may be delayed under the provisions of this bill for five or six months after the matter has been presented to the Expediter.

If a local board makes a recommendation to the Expediter, that matter can be stalled for 5½ months after the local board makes that recommendation.

We also in the bill give the Expediter the authority to come in and sue in the name of the United States for any alleged violations for the past year. Understand, they may go back a year and sue for any violations. If the tenant has not brought action within 30 days against the landlord for treble damages, the Expediter may in the name of the United States come in and get these punitive damages, treble damages, and no part of that goes to the tenant; it goes into the Treasury of the United States.

As we go along we will find some others. There is this snooper clause here which we discussed in connection with the export license bill we had up here 3 or 4 weeks ago. We thought that was obnoxious, but here is a real snooper provision. Without regard to whether a property is under control, the Administrator may subpoena anyone into his office. He may obtain this information by subpoena, requiring any person to appear and testify or to appear and produce documents, or both, at any designated place. Such person or anyone representing the Expediter can be put under oath by the Expediter. If he says anything that violates his oath as to a material matter, he can be brought before a district court for perjury and sent to jail, because the Expediter perhaps did not think he told the truth about the matter.

Here is a good one. This information shall be deemed confidential, if the person giving the information requests it, unless the Expediter determines that the withholding thereof is contrary to the public interest.

Let me reiterate: This bill in its present form is such a bill as every one of us should hesitate to vote for in time of greatest emergency—in time of war. We do not know that conditions are getting better. We do know that something is happening to our economy.

Mr. Chairman, in all fairness to our oaths, in all fairness to ourselves and the offices which we hold, let us not do anything today that might put us in a very embarrassing position 3 months from now.

We will be in session 3 months from now, and the sensible thing to do is to continue rent control as it now exists on the statute books until June 30, and then

take a look at it—let me repeat—in the light of whatever changes have taken place in our economy and determine our course then. We will know by then whether we want to continue rent control and in what manner and under what standards it shall be administered.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. JENKINS. At heart I have always been opposed to rent control. I voted to extend it a time or two because we were told it was the wise thing to do and because there were some outstanding commitments, perhaps not written, but implied. In the future it will be argued that there are going to be some hardships worked on somebody. Does the gentleman know anybody in any big city or in any community or anywhere who would be harmed by this extension that the gentleman has recommended? Does he know any group to which that would be a detriment?

Mr. WOLCOTT. No, I do not. I think we should have in mind that because of the present cut-back in employment and in production and wages in certain of our localities, certain Members of Congress say that they must vote for a continuance of rent control to protect those people who are now out of employment and who have lowered incomes from having to pay higher rent. You get the picture—as national income goes down, then I say, are we going to set up rent control as a matter of permanent policy to protect against low incomes in time of depression and against inflation in time of plenty? If so, at least we should be consistent enough to knock out the policy statement in the existing law.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SHORT. After the shattering argument and the irrefutable logic of the able gentleman from Michigan, it is beyond me to see how any reasonable person could vote for such a violent piece of legislation. This bill would legalize highway robbery. It would attack all human rights and property rights. What greater human right is there than for a man to work and save and enjoy the fruits of his own labor.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, we have just heard a very vigorous indictment of a large number of the Members of this House as well as a very large number of the people of our country. Highway robbers and epithets of that kind are names that will not withstand analysis when applied to what we are trying to do now to extend rent control for another 15 months.

Who wants rent control extended in this country? Is it the highway robbers? Is it some Republicans—the majority of the Democrats—or the people of this country who need our help? Labor, represented by the CIO, the A. F. of L., the railroad brotherhoods, every responsible labor organization, has come before our committee and said, "You must extend rent control." Are they highway robbers? I do not think so.

What about the veterans? They are not all Democrats. They are not all Republicans. They are not all laboring men. Every responsible national veterans' organization has come before our committee and said, "You must extend rent control."

Would you have me name those organizations for you? Perhaps you do not agree with the principles of some of them, but they do talk for national groups, and, as a whole, they talk for almost every veteran who served this country in World War I and World War II. You have among them the American Veterans Committee, the AMVETS, the Jewish War Veterans, the Veterans of Foreign Wars, the Disabled American Veterans, and the American Legion. Are they highway robbers? Do they want other than a fair deal from this Congress? I think the gentleman who resorted to name-calling, will think better of it before the day is over.

Yes. We have had rent control for a long time. We may have to have it for a long time to come. There is no man in this House who will stand on this floor and say that we want rent control or control of any kind as a permanent part of our free American Government and its institutions that are so dear to all of us. But so long as we are in an emergency period we are going to ask for emergency legislation. That is all we are here asking for now. This emergency will not disappear in 90 days, but if it should, and we would all like to see it disappear in 90 days, there is provision in this very law for the President to immediately terminate this emergency bill and these emergency provisions. If he should fail to do it and we are still in session 90 days from now, this House, acting concurrently with the Senate can, by resolution, without the signature or consent of the President, immediately vitiate and bring to an end these emergency laws.

But do not fool yourselves. We will not relieve the housing shortage in 90 days or a year or 15 months. The Housing Expediter came before our committee and reported to us the results of findings covering a thousand cities and villages in 48 States of the country. He showed us an analysis of surveys made in 91 cities with populations of over 100,000. In those cities alone there is a shortage today of over 1,000,000 rentable units. I do not care whether you come from Iowa or Kentucky or Connecticut or any of the 48 States of the country, if you will make a fair analysis of the situation in your State you will find that you do need an extension of this emergency legislation in order to protect the people who are living in rented units.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. FORD. Who made this analysis that was accepted and used by the Housing Expediter?

Mr. MULTER. They were made not only by his officials but by representatives of the local boards in the local areas. Existing law contains a provision for local boards—local people appointed by the Expediter upon the recommendation of the governors of the various

States. Those men are doing a fine job. Wherever they find a situation in their locality which warrants either an overall increase in rents or a decontrolling of their area or a part of their area or a classification of rental units within their area, they make a recommendation accordingly. They are working without compensation, and they are doing a good job. Wherever it is possible areas are being decontrolled and classifications within the areas are decontrolled when possible.

Mr. FORD. Is it possible that the analyses on which the Expediter based his opinion were taken by employees who are working for the Housing Expediter under the act and who might be seeking to have it perpetuated for personal reasons?

Mr. MULTER. I vigorously say to the gentleman that that is not the fact.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. CARROLL. If the gentleman will yield at this point, do I understand the method of picking the personnel of these local boards was changed in the Rent Act of 1948?

Mr. MULTER. That is correct.

Mr. CARROLL. And that act was passed by a Republican-controlled Congress?

Mr. MULTER. The gentleman is correct again.

Mr. CARROLL. And, as I understand, these local boards were to advise the Expediter and were to recommend the decontrol of certain areas where decontrol was feasible.

Mr. MULTER. That is correct.

Mr. CARROLL. Does their testimony indicate how they stand about this pending bill?

Mr. MULTER. How the local boards stand?

Mr. CARROLL. Yes.

Mr. MULTER. There has not been a request presented to the committee on behalf of any local board saying that their area should be decontrolled or saying that rent controls should not be extended; not a single board has sent such a request to our committee urging that rent controls cease.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield for a question?

Mr. MULTER. I yield for a question. Mr. HOFFMAN of Michigan. Does not the gentleman's question assume that the Eightieth Congress was right? Is that the foundation for the assumption?

Mr. MULTER. No; the gentleman pointed out that the Eightieth Congress, Republican-controlled, put into the law a provision, which is continued in the bill presently before us, so that the localities may control the situation or, if it is warranted, decontrol.

Mr. HOFFMAN of Michigan. And was that a good thing?

Mr. MULTER. None of those local boards have come before our committee and told us that we should end rent control.

Mr. HOFFMAN of Michigan. If the gentleman will read a letter I put in the RECORD in my remarks he will see where

the local board of South Bend, Ind., is making the owner of a unit pay about \$8 a week for the privilege of renting it; and she can get no relief.

Mr. MULTER. I am sure if that is the situation—

Mr. HOFFMAN of Michigan. That is the situation.

Mr. MULTER. I do not care to dispute it with the gentleman, but if that situation prevails, this bill as it will pass this House I am sure will correct that kind of situation.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. BUCHANAN. The gentleman from Michigan a while ago referred to recovery and recontrol in this present bill that would bring under controls certain individual units or areas that were never under control in any previous law; can the gentleman point out a single instance in the proposed bill under consideration wherein that is true?

Mr. MULTER. That is not so, so far as I have been able to ascertain. As originally drawn there was language in the bill that might have been interpreted that way, but before the bill came out of committee that was amended; and the bill in its present form specifically provides that recontrol can be applied only to property and areas that had been under control previously.

The provision in the pending bill is that if the Administrator decontrols an area or a classification, he may recontrol it if the situation changes. That is necessary because he hopes to be able to decontrol areas which are communities where they might be able to get along without control. The experience in taking off controls has shown that rents have increased as much as 89 percent once controls are lifted. If the Administrator has the right to recontrol those areas after he decontrols them, he can then say to that area: "I am ready to decontrol here and will do it, but if you are going to jump your rents unconscionably, if you are going to exact extortionate rents, we will have to put you back under control."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield five additional minutes to the gentleman from New York.

Mr. CARROLL. Mr. Chairman, will the gentleman yield for a short observation?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. CARROLL. I merely wanted to point out that we set up mechanics and features in the last rent-control bill for the purpose of supplying the Congress and the country with information, and as a result of these provisions information has now come to us that we ought to have rent control continued; the local advisory boards have maintained that it is necessary.

Mr. MULTER. Yes. That is correct.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. BUCHANAN. The gentleman from Michigan advocated taking a look at this matter again after setting it aside

for 3 months. What does the gentleman believe the chances would be in the log jam of legislation that is apt to occur in the month of June in getting a fair rent bill or any bill at all at that time?

Mr. MULTER. The chances are that 90 days from now the situation in the House, and in the body at the other end of the Capitol will be such that there will be no chance of getting any legislation on this subject. That is my opinion.

In 1940, we had in this country 1,800,000 families living doubled up because there were no accommodations for them to live by themselves. The situation has not gotten better but much worse. In 1948, we had 2,333,000 families still living doubled up because of lack of accommodations.

While we are talking about the kind of proof that has come before our committee for and against this bill, let me call your attention to some of the propaganda that has been foisted upon the Members of the House and upon the committee too.

Many of us received letters from persons who claimed to be small property owners crying to the Heavens they were not getting enough rent with which to maintain their property, and that they were losing their property by foreclosure. Some of those letters were turned over to the Expediter and he investigated them.

One typical instance is in the record of the hearings before our committee. It revealed this person who sent in a letter claiming to be a small property owner about to lose her small investment in her home because she could not get an adjustment of rents was a domestic in the home of the president of a property owners' association, one which was represented before us in committee, pleading their cause. This woman never owned that property, she never owned any other property, and she never made an application for a rent increase anywhere. That is typical of the kind of stuff that was brought before our committee on behalf of so-called property owners.

They submitted to us a survey which purported to show that vacancies had increased to such an extent that we do not need rent control. Let me read to you what we learned about one of those surveys. The Housing Institute that submitted the survey upon which this property owners' association was making its claim, when asked about it by the Expediter, wrote as follows:

We assume that specialists in apartment houses know of vacancies in the apartment units of their city but that their estimate of the vacancy ratio is just a guess based upon their own experience and that of their associates.

Now, we had some landlords come before us who were fair. We had property owners who came before our committee and said, "Rent control should be extended. All we want is an opportunity to get fair adjustments if we can show that we are entitled to them."

So we wrote into this bill a provision requiring the Expediter to appoint an officer in each local area who will help

the small property owners to process their application and get an increase if they are entitled to it.

More than that we had one estimable gentleman, a property owner himself, who came before us as general chairman of an organization representing the owners of one-seventh of all the property in the country which is rented and controlled under existing legislation and which will continue under control if this bill passed.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MULTER. Mr. Chairman, what did he say to us? He said, "Gentlemen, you dare not take off rent controls. You must extend them."

This is a property owner talking for the owners of large multiple dwellings. He continued to say that there are abroad in this country persons who would extort oppressive rents; if you lift these controls you will have a chaotic condition the like of which the country has never had. You must continue controls, but give us the right, they said, to fair adjustments. That will be in this bill, I am sure, before we get through with it in this House.

There has been some talk about sending rent controls back to the various localities. Every person who was asked the question before our committee, the Representatives in Congress from various parts of the country and others, as to whether or not this can be handled on a local law basis said that it cannot be handled that way.

The only way it can be satisfactorily handled is by Federal legislation such as the bill presented to you now.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield for a question?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. I share in a large degree the views of the gentleman from New York on this matter, and that is why I am concerned with some of the provisions. I direct the gentleman's attention to page 25 of the bill, line 8, which provides that—

Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000 or to imprisonment for not more than 1 year, or to both such fine and imprisonment.

That subsection says "who willfully violates any provision of this section." Is it the gentleman's intention that subsections (a), (b), and (c) are part of this section?

Mr. MULTER. The answer to that, sir, must be this way: My intention would be to take that same provision and make it applicable to the entire act, as we enact it. That, however, was not the intention of my committee. This section the gentleman has just read is existing law. It applies only to veterans' preference. We did have a provision for criminal penalties in the bill as proposed, but on motion of one of the members of the committee it was stricken out of the bill, and it is not in the bill.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. I yield.

Mr. CAVALCANTE. Subsection (c) of that section says:

The Housing Expediter is authorized to issue regulations and orders—

And so forth. Now, will a violation of subsection (c) or if one of those orders or regulations are violated, entail the punishment covered in subsection (d)?

Mr. MULTER. I am not trying to evade the question, but we have a whole body of law and decisions by the courts indicating what type of order carries with it a criminal penalty, when you have a provision such as subsection (d) in a law it will take much more time than I have available to tell you what kind of an order or regulation will be subject to a criminal penalty. There are any number of orders and regulations which an Administrator may issue which will not invoke a criminal penalty.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. I yield.

Mr. CAVALCANTE. Would not that doubt be resolved if on page 25, line 8, after the last word "provision" you would insert there "of subsection (a), clauses 1, 2, 3, and 4 of this section"? Then you would eliminate any doubt as to whether that penal section does cover a violation of the regulation or order made under subsection (c) of the act.

Mr. MULTER. I am afraid, sir, that I must differ with the gentleman there. Certain orders and regulations that the Expediter will make, will necessarily require enforcement by the threat of a criminal penalty.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. On page 20 of the report, section 206 (a), we find this language:

Any person who willfully violates any provision of this act, or any regulation or order issued thereunder, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under this act, shall, upon conviction thereof, be subject to a fine of not more than \$5,000 or to imprisonment for not more than 1 year, or to both such fine and imprisonment.

What does that language mean?

Mr. MULTER. That is circumscribed by the same decisions that I referred to a moment ago in answering the question of the gentleman from Pennsylvania.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. BUCHANAN. I might say in answer to the previous statement that that is not in the committee amendment.

Mr. MULTER. There was a great deal said here about the impact of this emergency legislation upon our national economy. Let me direct your attention to a few facts and figures with reference to

that. There have been no mortgage foreclosures anywhere in this country on account of rent control legislation. During the years we have had rent control legislation upon our statute books the fact is that mortgage foreclosures have constantly decreased. I do not say rent control is the reason for it, but I do say that rent control has not caused the loss of a single piece of property to any property owner by foreclosure of a mortgage.

Just let me give you these simple figures: In 1939 we had over 100,000 mortgage foreclosures on nonfarm properties in the Nation. In 1948 we had a little over 11,000 mortgage foreclosures on the same type of properties.

In 1939 the savings and loan associations of this country, which invest practically all of their funds in real estate mortgages, owned \$681,000,000 worth of property which they had to take back by foreclosure because the mortgagors could not pay the mortgage debt. In 1948 those same institutions owned only \$10,000,000 worth of real estate.

The dividends paid by our savings banks have increased during rent control. The deposits in savings banks have constantly increased under rent control, not because of rent control, but rent control has had no impact upon them. The same is true of the aggregate of life insurance policies and dividends paid upon such insurance.

Mr. GAMBLE. Mr. Chairman, I yield 30 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, the great State of Kansas this week has abandoned a tradition of many years. We used to be a State that was known as dry and now we are wet.

In the debate which took place out in Kansas on the problem, one individual said to another, "Alcohol is a bad thing. It causes you to do bad things. It causes you to lose your job, to speak crossly to your wife. Occasionally it causes you to think about shooting at your landlord, and, worse than that, it causes you to miss him."

On both sides of the aisle are men who are either for or against this bill. On both sides of the aisle are men who would not vote for rent control under any circumstances. On both sides of the aisle are men who would vote for rent control under any circumstances. I happen to be rather in the middle of those. I voted for rent control during the war period and after the war, but now I am tired of it. It is to those people who have some doubt about the continuance of rent control that I address my remarks this afternoon.

What are we here to determine? The law as it now stands provides that Congress recognizes that an emergency exists and that for the prevention of inflation and for the achievement of a reasonable stability in the general level of rents during the transition period rent control shall be continued.

The proponents of rent control say that there is an emergency and that the emergency arises by reason of a shortage of housing units; secondly, that rent control is necessary to prevent inflation;

and, thirdly, that we require rent control to have a stability of rent level.

I sat for 10 days hearing witnesses on behalf of rent control and opposing rent control. Those witnesses who appeared on behalf of rent control can be classified rather simply. First, there were two unions appearing, the CIO and the A. F. of L. Then veterans' organizations appeared. Then certain organizations representing tenants in New York City and Chicago. The mayor of Detroit appeared, and of course the Housing Expediter appeared. The armed services appeared. But absent, Mr. Chairman—absent from these proponents of rent control were the tenants. I want to call your attention to that a little bit later. The evidence produced in the order of importance was as follows:

That there is a shortage of houses for rent.

That prices will skyrocket if rent control is taken off.

That evictions will cause hardships.

That there will be social maladjustment if we decontrol housing.

That inflation will cause hardships if we do not continue rent control.

I want to examine some of the testimony for the benefit of the members of this committee which was produced in our committee by the proponents of rent control. Mr. Woods, the Housing Expediter, appeared before our committee and testified that the one reason for rent control is the housing shortage. He said the shortage does contribute to inflation because prices skyrocket. Mr. Chairman, his testimony and statement went to considerably greater lengths than that, but in the final analysis the conclusion of Mr. Woods' testimony is that we require rent control. Why? Because of a shortage of houses for rent, and secondly because of the danger of inflation due to skyrocketing rents if we decontrol.

Then the CIO testified before our committee, and they came in with a statement about an inch thick. An estimable gentleman representing the CIO said, "Here at last we have the facts and the figures to show you the situation with reference to rent control." Then what did he do? He presented to the committee a series of answers to telegrams sent to CIO presidents and local officers in many cities and States throughout the United States. A summary of their testimony may be made when I say that most of these statements are similar to this:

Miss Ruth Warran, of the Georgia Workers' Education Service, reports that the housing shortage is stated in terms of social effect. She said:

The still acute housing situation may, in the long run, deprive us of more than a roof over our heads. It can, according to experts on the subject, have very far-reaching and drastic social implications.

In Atlanta, for instance, the J's and their children could find no place to live, when they had to move, except to buy a 16 by 16-foot tent and make their home in an open field.

Mr. J. makes enough to afford a modest apartment or house but at present has been spending all he makes to provide the family with food, bedding, clothes, and coal to keep them warm. Joe, the redheaded 14-year-old, recently has been slipping in his grades and

playing truant from school. He doesn't want his playmates to know he lives in a tent.

Here is another report:

WIFE FORCED TO LIVE WITH BRUTAL HUSBAND

We know of one family, in which the wife, mother of six children, was forced to stay with her husband who was an alcoholic, beat her and the children and supported her very inadequately. She tried to leave him by moving to another State where she stayed with a married daughter, but the latter could not support her and, as she was a non-resident and ineligible for relief, she was forced to return to her husband.

If she had been able to find an apartment or a house or rooms to stay in, away from him, she could have left him and established herself independently. But like many others she was forced by lack of housing to stay in a place from which she could not have her husband evicted.

Now, that is the type of testimony that the CIO brought before us. They also said in effect that there is a housing shortage, that the housing shortage causes a rise in prices and that there may be evictions which will cause social maladjustments.

Following that testimony also is contained an article from Chicago in which they said:

One hundred forty-five Chicagoans perished by fire in 1947. The toll rose in 1948, when 152 died in that manner. Usually the pattern is the same. Fire, originating in some squalid tenement, where construction and materials create a trap from which few escape, does its deadly work before even Chicago's Fire Department, one of the best in the land, can arrive on the scene.

On January 18 fire struck the tenement at 259 West Twenty-second Place. Mrs. Mary Woo tossed her two children out of a window. Both were injured. Mrs. Woo and her unborn child weren't so fortunate. They died. So did Lee Lung, 66 years old.

Mr. Chairman, the point I make is that that testimony was true 50 years ago in Chicago. It was true 10 years ago in Chicago. It is true today in Chicago under rent control, and it will be true tomorrow in Chicago and 10 years from tomorrow in Chicago.

The A. F. of L. came before us and testified. In a nut shell, they testified that there was a housing shortage; that the housing shortage would cause a rise in prices. Following that, the Tenant's League and the Consumer's League testified before us. They said there is a housing shortage and that will cause a rise in prices.

The mayor of Detroit said the housing shortage is no less serious today than it was during the war; that it is becoming more and more acute.

Witness after witness testified to one thing: There is a housing shortage. It is becoming more acute. It is more acute now than it was before the war.

The armed services came before our committee represented by an estimable young man who was assistant to an assistant, which assistant had been directed by the Secretary of Defense to say to us that there is a housing shortage, or, "We cannot find reasonable houses at a reasonable rate of rental to provide for our men. There is a housing shortage. Therefore, we believe in the continuation of rent control."

Now, Mr. Chairman, the point I make is that these dogmas have been repeated so long that the people of America do not understand that they are merely repeating by rote the dogma which has been told to them time and time again without questioning why.

Of course, I understand that many of these men are doing the job as organizations are required to do. Someone says, "There is a housing shortage. What shall we do about it?" Some other gentleman gets up and says, "We should continue rent control." And so they pass a resolution. They are doing their job. They are doing the best they can and that is their answer.

We lawyers have a motion which we call a demurrer. We say that when all the evidence is in, assuming its truth you have no case. Let us return to the issues in this case.

First, it is said that there is an emergency.

Secondly, that without rent control there will be inflation.

Thirdly, we need control to stabilize rents.

Let us assume that there is a shortage, for the purpose of this argument before this committee. Has anyone testified before the committee or will anybody in this House say that rent control will cure the shortage? I will tell you three people who said it would not do so. One was Mr. Woods in the testimony before our committee. The other is Mr. Goodman, of the CIO, who said the same thing, that it would not alleviate the housing shortage; and the third is the man who testified as the witness who represented the armed services. He said that it would not alleviate the housing shortage.

All right. We are talking about the continuation of something which will not alleviate the first principle for which we are arguing, or for which some people are arguing. Are we really interested in securing houses which are satisfactory and units which one may find satisfactory to him at a satisfactory rental, or are we interested in controlling evictions. If we are interested in controlling evictions and if we are worried about great social maladjustments which may occur by reason of evictions, it is a very simple thing for us to draft a simple bill for that purpose.

Concerning inflation and high prices, I suggest you read the hearings in behalf of the proponents of this case and see how many of the witnesses talk about inflation. The only one, that I find, who talked about inflation was Mr. Woods.

I asked him: "How will rent control affect inflation?"

He said that it might affect inflation, it might do some good somehow or other. You know, we have talked a great deal about inflation and done nothing about it.

Mr. Chairman, this discussion has not—nor has one witness attempted seriously to discuss the impact upon our economy of rent control; and I challenge anybody to say that they have. Prices may rise; and if they do, then what?

They talk about a 50-percent increase, or 100-percent increase, or 200-percent increase; those increases, Mr. Chairman, are relative increases. Are they increases which take into consideration the comparison to a day's work? I received a letter from one of my towns in Kansas, Manhattan, I think it is, about ten or twelve thousand population, in which the lady said she had to pay her plumber \$3 an hour and his helper the same; in other words, to get the plumber in to work for 20 minutes she had to pay him a dollar. How much did she pay him before rent control went into effect?

Yes; prices may rise somewhat; I will not say that they will not rise; but if they do, is that a shocking thing? Or is it shocking that prices should rise when this individual had had his or her house controlled at a rate which was in effect in 1942 and the man living in the house has had his wages raised time and time and time again? And in addition to that, the man occupying the house may not be the one who may need it; he occupies it because he happened to be there, because he got there before that veteran about whom the chairman of the Committee on Rules talked so much this morning, the veteran who came home and found a fellow in the house he wanted to rent. That is what happened to him.

We talk about stability of rent levels; what they are talking about is low-rent levels, but does that really occur under rent control? We have shown that even upon the evidence of the proponents of this bill that if there is an emergency, if there is a housing shortage, this bill does not meet it; and, consequently, that rent controls even according to their testimony do not control inflation; and, third, that they do not provide for a stability of rents, because there is no stability of rents under rent control. If I may paraphrase an old familiar quotation:

Theirs is not to question why; theirs is but to lose their jobs or die.

We have evidence on the other side of this problem, evidence submitted by those who were against rent control, which may be summed up as follows: Rent control in peacetime betrays the tenant. I want you to think about that a little. Rent control creates unnecessary injustices to property owners. There are some people who believe that injustices are required, sometimes; but rent control creates unnecessary injustices. It is a pattern for permanent control.

Who appeared in opposition? The great national associations of real-estate owners, of course; the associations representing great hotels, and representatives of other large and important groups; but, Mr. Chairman, other than that, they were property owners and tenants. Property owners; yes. The gentleman from New York said there were some alleged property owners who were having a little trouble with rent control. I wonder where he has been. Probably sitting up there in New York City wondering what is happening to the rest of the country. Yes; thousands and thousands of property owners that are having a little trouble. During this hearing you could not pry your way into that committee

room with a crowbar. Why? Because small-property owners at their own expense and at the expense of property owners within their community were there trying for one moment to get a word in to tell this Congress what has happened to them.

Do you mean to tell me that those people are the selfish, grasping landlords about whom they have been talking? No. Those are the people you find back home, the people who felt they had the right to save a few dollars and invest it in some property, to provide some security. Now, they come here and say to us: "We want to do something about this law which is unjust and unfair."

The tenants were there to testify and how. They were there in absentia. Their silence was just as strong, their voice was just as loud as an atomic bomb. Their silence is just as strong as if they were before you today in this argument.

Look at your files and see how many letters you have had from tenants who want rent control continued. Of course, some tenants want rent control continued. None of them want to face the possibility of paying more money. But weigh them in the balance between those property owners who have found unjust and unfair treatment under this law. You have one or two letters. I have two from my district. I have hundreds of letters from bona fide tenants and the gentleman from New York cannot possibly refute, who are suffering under the inequities of this bill. The tenants were:

Victims of those who would use the desperate plight of people to advance;

Victims of splendid organizations which attempt to solve a problem by passing a resolution;

Victims of sympathetic people who repeat by rote any dogmatism;

Victims of a system that says you must take a slice of your neighbors' policy—whether or not you want it or need it;

Victims of a law which requires them to live in dilapidated, dirty, and deteriorating homes;

Victims who are veterans returning home;

Victims who see the well-to-do live in cheap-rental units while the poor pay higher prices;

Victims of a plan which reduces opportunity for obtaining a decent place to live at a reasonable price.

Let us look at some of the facts:

First. Forty-six and eight-tenths percent of occupied nonfarm units were occupied by tenants in April 1948. Fifty-eight and nine-tenths percent in April 1940.

Second. On the average nonfarm tenant families paid twelve percent of their income for rent in 1948—down nearly one-fourth from a comparable ratio of 15.8 percent in prewar 1941. This ratio declined because family incomes roughly doubled between 1941 and 1948 while median rents were increasing only about one-half—50.2 percent.

Under strict Federal rent control, rents for comparable dwellings in large cities increased only 11.3 percent between early 1940 and 1948. One effect of this rent control is clearly shown in the loss of low-rent units—a net decline by April 1947

of 3,565,000 in the number of occupied units renting below \$30 must have resulted principally from demolition of low-rent units, sale for owner occupancy or such substantial improvement as to justify rent increases under rent control. With the loss of lower-rent units and addition to the supply of units renting above \$30, principally through new construction or conversion operations, median rentals rose from \$21.46 in April 1940 to \$29.33 in April 1947 and to \$32.23 in early 1948, an over-all net increase of 50.2 percent.

Median rents for nonfarm tenant families with incomes of \$5,000 or more were only \$45.38 in early 1948, down more than one-third—37.1 percent—from the 1940 median rent of \$72.10 for families of similar incomes, while median rents of lower-income families changed relatively less; increasing from \$17.68 to \$20.83 for families with incomes of \$2,000 or less and declining from \$36.11 to \$33.79 for families with incomes of \$2,000 to \$4,999.

In other words, those families who have an income of less than \$2,000 a year are paying more rent proportionately than the higher-income families.

Here are some other figures I want to leave with you. In 34 cities 190,000 more tenant dwellings were occupied by one person in 1947 than in 1941.

What has happened and why? More single persons can now afford to live alone under the freezing of rents and rental units.

When the census on housing was taken in April 1940, the number of married couples living as extra families was 6.4 percent of all married couples. The report prepared by the committee showed that there are more married couples today living doubled up than there were in 1941, or whenever the date was. There may be, because there are more married couples. But, understand this: When the census was taken in 1940 the number of married couples living doubled up as extra families was 6.47 percent of all married couples. By April 1947, after the impact of the greatly increased marriage rate had been felt, the ratio had risen to 8.35 percent, but by April 1948, the date of the latest survey by the Bureau of the Census, the ratio had dropped back to 6.8, or only about 5 percent more than in 1940.

Now, for the landlords a moment—those selfish people. I do not believe that you need statistics. Perhaps the gentleman from New York does, but an interesting thing about the testimony which was presented this time showed two interesting features. One is that I hear very little about those selfish landlords this year. I did last year and the year before and the year before that, but I think only one person has mentioned the selfish landlord. That is rather interesting. But the more interesting thing was that nothing was produced concerning the income of landlords; in other words, to show what they were making. This indicates a belief that the landlords do have a case.

I recommend for your reading the report in the hearings made by Mr. Donald Hass, from Seattle, Wash. The people of the city of Seattle, in conjunction with

the University of Washington, expended \$35,000 to make a full and complete survey of the housing situation in Seattle. Those were not guesses. Those were not irrelevant estimates. They are absolute facts which are the result of a careful survey made on the spot of every house, every unit, every building, every person who is interested in buying or building or renting in Seattle. This report shows the discrimination on the part of rent control between people who want to rent and between the landlords. It shows that the owners do not get a fair return. It shows a wasteful use of space. The interesting thing is that Seattle has no housing shortage, according to this report. It shows that control discourages the building of new construction. I realize that other associations and organizations cannot spend \$35,000 for similar surveys, and, although Seattle did prove it, they did not get decontrol. There are, however, fine statements from Dallas, Houston, Norfolk, Alameda County, Calif., and from all sections of this country of ours to show how this law has worked in an unfair and inequitable manner. Administratively it has been impossible to provide justice.

The report of the committee shows that only 14 local boards have recommended decontrol. The majority contend that apparently we should continue control because only 14 areas have asked for decontrol. I want to read to you what a local board must do in order to recommend decontrol, remembering that local boards are citizens acting without pay. So they must find this: They must find the population of the city on VJ-day and the present day. They must find anticipated increases and decreases in the population. They must find the general trend of employment in the last 6 months. They must find anticipated changes in employment during the next 90 days. They must list all students who live with their parents and their wife's families and how they live and under what circumstances. They must find the approximate number of families seeking rentals. They must find the extent of rent decrease during the past 6 months. Imagine doing that in a city like Los Angeles or Kansas City, or even Topeka, Kans. They must find prospective trends if rent control is removed. They must list uninhabitable and non-seasonal dwellings. In my judgment, these regulations make it impossible for the local boards to prepare a decontrol report.

Now, what have I said? I have said, first, that in a peacetime economy—remember, this was born of wartime necessity—the emergency has not been proved great enough and is not great enough to justify these controls. Let someone answer that question.

Second, we have not shown such an emergency or need. We have not shown that rent control will build more houses or provide more units for people to rent at lower rentals, or at any price.

Third, the controls defeat the very object for which they are sought, and remember the statistics I quoted. They create shortages and higher prices.

Finally, in the final analysis, it is an unfair, arbitrary, discriminatory law

which we have foisted now, in peacetime, upon a large segment of our people. In my judgment, it should be wiped out.

Mr. Chairman, I was told not long ago that the atomic bomb was mere child's play, that today bacteriological warfare had come into being to such an extent that perhaps pouring a tumbler full of bacteria into the water system of a huge city of 100,000 would completely eliminate the population of that city within 24 hours.

Mr. Chairman, I think there are other weapons of destruction of humankind which are just as powerful. I think one of those weapons is the destruction of character, the destruction of our great Republic by false ideas. One of those ideas is that the Government must at all times, under every circumstance, be the source to whom you must go to be relieved of all hardships, of all ills, of all wrongs.

Mr. Chairman, I think this Congress today has the opportunity to point the way—to determine where we are going and what shall be our path. I hope that it will be a path which will lead to greater freedom and greater service and cooperation among men.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. O'HARA of Minnesota. First, may I congratulate the gentleman on the logic he has shown in summing up the position of the proponents and the opponents of the bill and the very fine statement he has made. Does the gentleman feel, as his conclusion from the study he has made, that the only basis upon which this legislation could be continued would be the continuation of an emergency condition?

Mr. COLE of Kansas. That is definitely right.

Mr. O'HARA of Minnesota. Does the gentleman definitely in his own mind feel that the emergency does not exist?

Mr. COLE of Kansas. I have definitely come to that conclusion, and I challenge anybody to prove the contrary.

Mr. O'HARA of Minnesota. Does the gentleman feel, further, that a continuation of this rent control would be what would amount to a legal destruction of the rights of certain people, and that, from the viewpoint of the courts, if there were a continuation, it would be discriminatory and arbitrary class legislation?

Mr. COLE of Kansas. Thousands and thousands and thousands of property owners are the answer to that question. I think that is true.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, I desire to read a letter which I received this morning, dated March 9, 1949, from Hon. Herbert B. Brill, executive secretary of the Metropolitan Fair Rent Committee of New York City.

Hon. William E. Russell, chairman of this committee, testified before our committee. I think he is one of the fairest witnesses I have ever heard. He is thoroughly honest and he impressed every member of the committee that he was altogether sincere. He is from the dis-

trict and a constituent of my good friend the gentleman from New York [Mr. GAMBLE]. This is what Mr. Brill has to say:

METROPOLITAN FAIR RENT COMMITTEE,
New York, N. Y., March 9, 1949.

HON. PAUL BROWN,
Representative from Georgia,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN BROWN: On behalf of the executive membership of our organization as well as each and every individual owner of rental housing in our area, which contains one-seventh of all the housing units under rent control, I want to take this opportunity to express our deep and everlasting gratitude to you for your recognition of the fact that a provision for a reasonable return on fair value is the only prescription that can lead to the cure of one of the major inequities in the rent law.

The New York press reports that there is overwhelming support for your proposal to insist that owners get a reasonable return on the fair value of their property.

Please be assured that when the measure is debated on the floor of the House tomorrow and the day after, you will have the blessings and moral support of the owners of some 2,250,000 housing units who have been denied a living wage, in their case, a reasonable return on the fair value of their properties.

We do so hope that your proposal will be accepted but, in any event, we want to iterate and reiterate our great thanks to you for recognizing one of the greatest injustices and inequities in the law and to congratulate you for your courage in sponsoring one of the greatest remedies which has heretofore been consistently refused because of political expediency and the specious argument of the Housing Expediter that an appropriate formula is difficult to prepare.

With kindest personal regards and sincere wishes for success in your endeavor to obtain a fair deal, I beg to remain,

Very respectfully,

HERBERT B. BRILL,
Executive Secretary.

Mr. Chairman, there is need for rent control in some sections of this country yet. But if we are going to continue rent control in order to regulate the 10-percent selfish landlords of this country, we certainly must make it fair to the other 90 percent of the landlords who do not want to chisel anybody, but who do desire a fair return. I am going to support this bill if we can get fair treatment for tenants and landlords alike.

Everybody wants this. But if we cannot do that, then, gentlemen, it will be difficult to justify it. The landlords are the only segment of our people who are regulated today. Many are getting now only about enough to pay the upkeep on their houses. If we are to continue to let one man in Washington be the guardian of every landlord in the United States, then I say we must make it assured in the law that the landlord who is helpless and who owns his property shall receive a reasonable return on a fair or reasonable value of his property.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I cannot yield now.

The amendment which I am offering sets up a plan which requires the Housing Expediter and the local boards, when considering hardship cases or other cases involving inequities, to fix rents at levels

that will yield the landlord a reasonable return on the reasonable value of his property, and sets up certain factors which must be considered in determining this question.

This, I believe, is the first effort that has been made to assure landlords that they will not have to subsidize tenants. No effort has been made by the Expediter to put this principle into operation. There is nothing in the present law which requires him to give consideration to it. That is the thing I want to cure. In my judgment, this glaring defect in the law and the administration of it is the principal cause of the almost universal complaints that we hear against the law on the part of the landlords.

I wish the Members of this House could have witnessed the demonstration that took place last week when this bill was before the Committee on Banking and Currency. The committee room was packed to the walls and the crowd overflowed into the corridors. They were for the most part small landlords who had come from all parts of the country to fight to preserve their property rights and a reasonable return on their property. They were in anything but an amiable mood. They were American citizens whose property their Government had required them to rent to other American citizens at a rental that represented no return to them, and in fact in many cases represented an actual loss.

We have all heard or read of the recent demonstrations over the country on the part of the landlords who have been compelled to rent their property without profit. Those incidents indicate the seriousness of this problem and the urgent necessity that something must be done now. Without such provision as is contained in this amendment, this rent-control bill is not fair. Under ordinary circumstances, and in normal times, rent control is thoroughly un-American, and it violates practically all the basic principles on which our country and our institutions and our freedoms are based. The only justification for such a law is the existence of a national emergency. It was only because of such emergency that this law was passed by the Congress and approved by the courts.

I am willing to go along with the idea now on the theory that an emergency still exists, but I am willing to only on the condition that private property cannot, under the express provisions of the law, be taken without just compensation, and that landlords will be assured a reasonable return on the reasonable value of their property.

Rent control in effect converts one's property into the status of a public utility, but it is not regulated in the same way that public utilities are regulated. It is a cardinal principle of public utility regulations that a reasonable return shall be allowed on the reasonable value of the property devoted to the public use. Can there be any sound reason why the same principle should not apply to rent-controlled housing that is applied to public utilities?

Mr. Chairman, this is an extremely serious problem; it is one that we should not consider lightly; it is one that contains the seed of widespread discontent

and one that we can go a long way in solving by saying to the country in this act that we still believe in and stand by the fundamental rights which are guaranteed to all American citizens by the Constitution of the land.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SPENCE. Mr. Chairman, I yield five additional minutes to the gentleman from Georgia.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. Not at this time.

Mr. Chairman, the only objection that I have heard to this amendment is that it would be difficult to enforce. The Expediter said that my idea was correct that the people were entitled to a fair return on a reasonable value of their property, but it would be difficult to set up such a formula. I understand, however, that he has changed his mind since then. If this principle that I maintain, that the landlords of this country are entitled to a reasonable return on a reasonable value, cannot be inserted in the bill, then it would be difficult to defend your vote for it. I say it can be enforced. The local board can go in and find out what is a reasonable value. The local people know the value of the property; they know the assessed value. The real estate men there know whether or not that speaks the real value; and if it does not they can get the facts to show what a fair value of that property is.

The local board makes recommendation to the Expediter. It is up to the Expediter to approve it, if the board has done its duty.

Someone might ask: What is a fair value? In every State of the Union and every city, when a person makes a tax return he must return his land for taxing purposes at a reasonable value of the land; he must make a fair return of his property. If he fails to do so the assessors appointed in that county raise his tax; the assessors get up the formula; the assessors know the value, and they know what a reasonable value is. The same is analogous with the Expediter. If the assessors have a right to determine the fair value of any locality for taxing purposes, the Expediter has a right to determine whether or not the value reported by the local board of their community is fair and reasonable. More than that, he will get all factors relating to value.

When I told the members of my committee that a reasonable return on a reasonable value was not a very difficult thing to ascertain and enforce, all of them did not agree with me. They were all in favor of the idea but troubled about whether or not you could say what was a reasonable or fair return. Hardship is not defined in the law, but the Expediter in his regulations defines hardship. If this be so, it should be no more difficult to get at a reasonable return or a fair return.

Mr. Chairman, some members of the committee have changed their views since the vote in committee on this amendment because I explained to them that the first thing in this bill is the declaration of an emergency and the

courts would be more liberal in construing the act in carrying out the intention of Congress. Whether we have an emergency or not, we declare in this bill that we do have.

Under these circumstances the Supreme Court of the land will hold, as it has always done in wartime or in an emergency in peacetime, many things to be constitutional and legal which it would not so construe in peacetime. The idea is silly to me that you cannot obtain a reasonable or fair valuation of property and give the poor landlord a reasonable return under the emergency provision of this bill.

Without the emergency clause in this bill, the rent ceiling could not be enforced. You cannot in peacetime, without declaring an emergency, say that the Government has a right to control the landlord's property and act as his guardian in making rent contracts, and certainly if the Supreme Court says that you can do this, it will uphold the principle of my amendment.

Mr. Chairman, without this amendment you are going to be unable to be fair to both the landlords and tenants under this bill, and we will say to the people of this country, especially, the widows and Gold Star Mothers who have invested all they have in small homes for renting, that they will not get any return and all that they will receive is just barely enough or hardly enough to pay the taxes and upkeep of their property, and this to continue for 15 months longer.

I realize there was great need during wartime for rent control, and there is some need now in some sections of the country for it. I am willing to go along, and I know everyone wants to go along, if we can have a reasonable return based on a reasonable valuation for all.

When the veterans came back from the bloody struggle abroad—those who were able to come back—they found all the houses of this country occupied by people who did not go to war. The veterans got very few places. I wish that situation could be corrected.

New buildings for the last 2 years have not been controlled and under this bill no new homes will be controlled. So most of the veterans have had to pay a higher price for a place in which to live. These are the people we wanted to help most, but we have not helped them as much as we wanted to. It is claimed that there are in many cities of this country from 10 to 15 percent of the landlords who are selfish and, without rent control, would charge from 100 to 200 percent higher rents. To prevent such unreasonable rents from this class we should not penalize the other 85 or 90 percent of good citizens who do not believe in extortionary rents by failing to give them reasonable returns under any rent law. By this amendment effectively administered we will have a remedy to give justice alike to the landlords and to the tenants.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. GAMBLE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I want to congratulate the gentleman from Georgia on the letter he has just read into the RECORD commending his proposed amendment. The writer represents an independent organization that is thoroughly familiar with rent control. To buttress the Brown amendment I would like to read from the testimony of Mr. Tighe E. Woods, Housing Expediter, pages 93 and 96 of the hearings:

The first type of adjustment is for financial hardship. The second type is for operating loss. The third is for fair return on fair value.

The first two types, hardship and operating loss, are now in our regulation. We have not been able to place the third, fair return, in our regulation because we have found no equitable and practical method for such a provision.

Page 96, quoting further:

In view of all these considerations we have been unable to develop practical and equitable individual adjustment provisions for fair return.

Well, if the Housing Expediter is unable to develop that formula after months of delay, I hope you will vote for the Brown amendment. The Housing Expediter having failed, let the Congress write the regulation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GAMBLE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to submit this question to the gentleman from New York [Mr. GAMBLE] and the gentleman from Georgia [Mr. BROWN]. Is there any instance in the operation of the Federal Government at the present time and through the machinery of the Congress where private citizens in peacetime or in wartime are asked to provide goods and services below the cost of production?

Mr. GAMBLE. Not that I know of.

Mr. CRAWFORD. Is there any case on record?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 1) minutes to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, the distinguished gentleman from Kansas [Mr. COLE] indicated in his remarks that no national emergency existed. I wonder if he was present on the House floor yesterday when the House passed a bill for the purpose of erecting a radar fence around this country, the beginning cost being in the neighborhood of \$80,000,000 and the ultimate cost approximately \$170,000,000 to \$200,000,000. If there is no national emergency, why did the Congress on yesterday decide that a 3,000-mile guided-missile range was necessary, the initial cost at the outset of around \$71,000,000 with the ultimate cost reaching \$200,000,000.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from Texas.

Mr. PATMAN. Will the gentleman please discuss the emergency around these national defense areas, especially

the testimony of the representatives of the Army, the Navy, and the Air Corps?

Mr. DEANE. I will.

If there is no national emergency, why are we expending today 34 cents out of every budget dollar for national defense?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I gladly yield to the gentleman from Massachusetts.

Mr. McCORMACK. Might I say that on next Monday, if a rule is reported, the composition bill of the Army and Air Corps providing for a 70-group Air Force will also be brought up.

Mr. DEANE. I thank the gentleman from Massachusetts. If time permitted we could give one instance after another of the existence of a national emergency.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from Kansas.

Mr. COLE of Kansas. I did not say there was no emergency. I said there was no emergency of a housing nature which rent control would cure.

Mr. DEANE. If the gentleman did not say that there was no national emergency, I am glad to have him so advise the House.

Mr. COLE of Kansas. My statement did not have anything to do with what the gentleman is talking about.

Mr. DEANE. If there is no veterans' housing shortage, why did the representative of the Air Force, appearing before the committee in behalf of the Secretary of National Defense, make this statement in behalf of each branch of the armed forces? I quote from page 648 of the hearings:

Recent surveys on reenlistment figures definitely prove to us that the biggest factor in low rates is inadequate living conditions—housing—either a shortage of actual accommodations or inadequate accommodations at excessive rentals. At Mather Field, Calif., for example, the commanding general has allowed enlisted men and their families to recondition old barrack-type buildings, where it is necessary for entire families to use common cooking and other facilities. The reason? Principally because the military income will not stand a \$60 to \$80 per month room in a town 12 miles from the base.

I invite the Members to read the statement by this gentleman appearing on page 648 of the hearings.

Coming as I do from the Southern section of our country, and appreciating likewise the State of Kansas and certain States of our Union, where the need of rent control is not so pronounced, I contend we must keep in mind our Nation as a whole.

I am appearing here today as a small landlord, the owner of a small apartment house. If I voted my selfish convictions, I would vote against this bill.

My conscience will not permit me to vote against the extension of rent control because there is an emergency. If there is any doubt on the part of any members of this committee as to the urgency of the lack of housing accommodations throughout the country, I suggest that you go out and get in a taxicab in Washington or in any city of this country with a hundred thousand people,

or even less, and make an individual poll, and you will find pretty soon how the people feel. I venture the prediction that if no rent-control act is passed by this Congress you will hear something and you will hear it very quickly. The average tenant is assuming that if the Eightieth Congress passed a rent-control law, surely the Eighty-first Congress will look after the interest of that great group of our citizens who have no spokesman.

I was interested and perhaps the other Members likewise would be interested in certain figures released by the Bureau of Labor Statistics. In 1948 the total housing units put under construction is estimated at 930,000. Of that number only 16.5 percent were available for rental. This situation continues to exist.

During the past year the Housing Expediter has made almost 8,000 surveys throughout the entire United States to determine whether rent control could be ended in the areas under rent control. Out of that large number, the Expediter was able to take only 31 decontrol actions, all of them in rather sparsely-populated areas. Although there were more than 750 of these boards, only about 15 of them sent in a recommendation to end rent controls in their areas. In my own district, there are three areas under control. I requested the Office of the Expediter to make a survey to determine the need for rent control. The findings showed that the leading officials of the towns in these areas indicated that there was a continuing need for rent control.

It seems to me that as we consider the legislation the individuals who can give the best opinion are not the representatives of the associations, or even labor or the veterans groups, but the best people to give us an opinion are the local advisory boards. If we accept their opinion on need, we will continue rent control.

Who is spearheading the opposition to rent control? They are the same organizations who, during 1948, spent approximately \$1,000,000 in lobbying, not only against rent control but against housing. I am of the opinion that as we get into housing legislation you will find the same arguments against housing that we are having today against rent control.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from Illinois.

Mr. YATES. With reference to the figures the gentleman gave as to the need for housing, may I call to his attention the figures I have on Chicago, Ill., from which I am Representative? The gentleman from Kansas made reference to the fact that the city of Chicago had poor housing 50 years ago, has poor housing today, and will probably have poor housing 50 years from now. If the efforts of private industry in that direction are accepted, I am willing to accept his statement, for here are the statistics I have received from the Library of Congress:

There was a need in the year 1948 for 137,500 new houses for the city of Chicago. Six thousand were actually built during that year. The survey of the Chi-

cago Housing Authority showed that of the 6,000 new units that were actually constructed, 81.5 percent of the new houses sold for more than \$12,750, with none selling for less than \$8,750.

They also estimate that rents average from \$115 to \$120 per month per unit.

Mr. DEANE. I thank the gentleman for his contribution.

Folks can pay only so much for the shelter, which is a basic necessity of life. For example, here is a family in my district. The father is an average workingman who gets \$2,400 a year with which he must provide for his wife and their three children.

Today he is not financially able to buy the food he would like. If we doubled his present rent of \$35 a month by removing rent control he would have less money with which to buy the minimum of food and clothing which his wife and children need.

There is another reason for continuing rent control. All the housing erected since the war has been high priced homes built for sale to people in the higher income brackets. Less than 1 in 6 of the houses built have been for rental purposes. But even these rental units built since the war have had asking prices of \$75 to \$100 a month or more. This is clearly out of range of the average working family.

We all realize rent control is only a temporary stopgap piece of legislation and we all look forward to the day it can be eliminated. To that end we broadened the Expediter's power in the bill we just reported out of the House Banking and Currency Committee on decontrol and recontrol. At present when an area is decontrolled it cannot be brought back under control again even though rents skyrocket. Under the House amendment the Expediter is given the right to recontrol decontrolled areas if rents rise out of reason. In this way rent control can be removed now from many fringe areas and if the responsible landlords take the leadership and keep rents from skyrocketing—then that area has shown it can handle its own problems. If it lacks that ability or the pressures are too great and rents continue rising then the Expediter can step in and recontrol.

I think we all realize the Expediter has had a difficult law to administer over the past 2 years. He has been burdened with a weak and inequitable law and handicapped by inadequate budget and personnel. Some rental areas cover three or four counties with only one man assigned to do the job in the whole area.

The rental housing industry is a \$50,000,000,000 industry. It is penny-wise and pound-foolish to hamstring the industry by providing the agency regulating it with inadequate funds and personnel.

In closing I should like to make reference to one group of people we should try to keep in mind but whom we have not represented adequately in the past. I speak of the veterans and their families. Even at this late date—4 years after the termination of the war—too many veterans and their families are not fully reestablished in their community. Many

of them are still taking their GI-training courses. I think we have an obligation to these veterans as they come into the communities of America to give them a decent place to live—not a place which bars children or dogs, if you please, but a place where they can raise their children with all the benefits of a home and a decent environment, and at a rent they can afford to pay.

We must remember the loyal, faithful services these men and women gave their country at a time when all of us were making the greatest profits in our history.

The veteran and his sorry housing plight is too often forgotten these days. I do not think we are performing any more than our minimum responsibility when we give them the benefits of rent control, until such time as we provide sufficient housing to satisfy the needs of the American family, the first and greatest bulwark for the protection of the American way of life.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. McSWEENEY. I am supporting this legislation, but I am somewhat worried about the criticism that it might be a deterrent to future building. Do you see anything in it that would be a deterrent to building?

Mr. DEANE. I cannot.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, I regret exceedingly that this bill has been reported to the House in its present form. In my judgment, it goes altogether too far under present conditions, nearly 4 years after the termination of World War II.

I am not in favor of terminating all rent control at this time. I want to see it terminated as fast as it can be safely done with justice to the tenants of this country, but not now.

I am in favor of continuing the present law for the time being with something like the amendment which I understand will be offered by the gentleman from Georgia [Mr. BROWN], with a view to insuring a reasonable minimum rate to the small owners of the country. This amendment is essential, in my opinion, in view of the failure of the Rent Control Administration to comply with the clear intent of the Congress in this connection.

I am also in favor, among other things, of eliminating the broad authority which is recommended to recontrol properties already decontrolled.

I think it would be well to shorten the proposed period of extension with a view to earlier reconsideration of the entire matter by the Congress.

I hope the bill will be so amended under the 5-minute rule that justice to tenants and owners alike may be assured.

I cannot support the bill in its present form.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may require to

the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I have received many letters from residents of my Congressional District complaining of the unfairness of rent control. I want to bring to the attention of my colleagues portions of a letter written to the Senate Banking and Currency Committee bearing upon rent control calling attention to its operation in my district. I hope we as representatives of our constituents will legislate fairly for both tenants and owners of rental property. The letter to which I refer in part is as follows:

PORTLAND, OREG., February 25, 1949.
SENATE BANKING AND CURRENCY COMMITTEE,
Senate Office Building,
Washington, D. C.
(Attention, Chairman.)

Re rent control.

It would appear from newspaper accounts and radio broadcasts that the President of these United States, certain Members of Congress and Mr. Tighe Woods, Rent Control Administrator are attempting to intimidate the rental property owners.

Furthermore, all Members of Congress and Government officials, irrespective of party affiliations, implicated in this seeming communistic move, who are required to take the same oath of office, should be investigated by the Un-American Activities Committee for attempted destruction of these United States. This committee should make exhaustive investigation as to who originated the idea of rent control in these free United States (at that time) and just who is behind the propaganda to continue this unconstitutional rent-control law and persecution of a segment of the citizens of this Nation. For it is attempted destruction of these United States when property ownership rights, one of the basic fundamentals on which this Government was founded, are abrogated. This is either the forerunner of State slavery with commissars living on the fat of the land, or a conspiracy on the part of Government, banking and mortgage interests to confiscate income properties.

It appears, even under the existing unconstitutional rent-control law, Mr. Tighe Woods does not have the right to use the courts in eviction cases for the benefit of the tenants, nor does he or the local rent-control boards have the right to advise tenants, via radio, to contact them for assistance in case of eviction notices. Local courts have complete jurisdiction under the State law. It is high time the Federal Government stops breaking the laws they have enacted, either constitutional or unconstitutional.

For your information, I am not a member of any property owners' association; I am merely a woman, one of many millions of widows and elderly people who have worked hard to accumulate a small piece of rental property. Our type of property owner is not like the big operators, we do not ask to be subsidized by the Federal Government, we are self-respecting American citizens who do not want charity but we demand the right to support ourselves and the constitutional right to control the use of our own property which has been earned by the sweat of our brow.

Any individual in these United States of America, be he the President, Senator, Congressman, Federal judge, veteran, CIO or A. F. of L. union member, who would deny to us our constitutional rights, is not a good American citizen.

Sincerely,

HENRIETTA B. ZIMMERMAN.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, the gentleman from Oregon [Mr. ANGELL] has just called our attention to a letter received from a constituent protesting against the continuation of rent control. Her reasons are legitimate and I have received literally hundreds of similar communications. The property owners affected by rent control in my congressional district are what has been termed here as the "little people." We do not have the large apartment dwellings. Much of our rental property is owned by the widow in the college town or the middle-class citizen who has been thrifty, worked hard, saved a little money, and invested it in a rental house in his home community. There is no real-estate lobby about these individuals. They do not belong to organizations and it is difficult for them to understand why their Government should discriminate against their particular type of investment.

Mr. Chairman, I voted for rent control, price fixing, and rationing during the war. We all realized when these laws were passed that they were discriminatory, but all war is discriminatory and exact equity cannot be accorded to all individuals and industries in a war emergency. Our people realized this and accepted the inevitable; however, the war which necessitated the imposition of these controls has been over for approximately 4 years, and still the property owners affected by rent control are required to accept approximately the same rental received in 1940 and 1941, notwithstanding the fact that wages, prices, and taxes have increased manifold. I have in mind one widow who rents apartments in her own home. Utility costs have doubled. Her taxes have gone up 57 percent and upkeep likewise, yet this woman has been unable to get any appreciable rent for her property. My colleagues, this is wrong—dead wrong. What are we going to do about it? The bill which is before us and recommended by a majority of the Banking and Currency Committee will continue rent control for 15 months. A continuance of the present law is not contemplated. The proposed law extends the powers of the Administrator and places greater discretion in the Administration and in the Director of rent control to tighten up, loosen up, broaden, and extend rent control as in his own judgment seems most advisable. I am definitely opposed to granting these additional powers to any bureau or director, regardless of his political affiliations or his economic philosophy.

All those participating in this debate have admitted that rent control should not be continued permanently. Every speech supporting the pending bill is in the form of an apology accompanied by the assurance that eventually these long-suffering property owners will be released from the grip of their own Government and permitted to take their places in our economy on an equal footing with other owners of property, tangible and intangible.

Labor has been given a fair deal: Through unions, protected by the Government, labor can bargain and secure a fair price for its product.

Farmers have been given a fair deal: Parity prices; government buying of butter, wheat, corn, potatoes and other products; sometimes giving them away; sometimes burning them to keep prices up—and to hold up the income of the farmer.

The manufacturer is given a fair deal: Through the tariff, control of production and other practices legalized by the Government, he is allowed a fair profit.

The property owner has been given a raw deal: His expenses have increased—but not a thousand percent, like those of the United States Government. His gross income, through rent control enforced by Uncle Sam, is held down to the same sum he received in 1941. His net dollars are much fewer than in 1941. The dollars he has left, if any, will buy about one-half as much meat, bread, milk, potatoes, clothes and other necessities of life, as in 1941. Landlords are forced to subsidize their tenants, even though the tenant is rich and owner poor. Do shoe manufacturers supply the poor with shoes at half price? Do meat packers sell meat to the poor at less than cost? If the poor tenant needs help, why not let all the people help him?

It has been stated here that the Census Bureau's statistics show there is no housing shortage, but that there is a shortage of rental property. The number of housing units has increased since 1940 but the number of rental housing units has declined. Under the present law, houses are built for sale, but few indeed are built for rental. This condition will continue as long as rent control endures. The person, or the corporation, with money to invest cannot be expected to invest his money and savings in property with the threat of rent control hanging over his head. This is not theory—it is proven fact. It is not sufficient that the shortage of housing which we have be rationed or allocated among those requiring housing. The rationing alone of a scarcity of food, clothing, or housing can never produce an ample supply.

I believe that there is a general shortage of housing and that this condition can only be cured by more housing. Rent control deals with the effect and not with the cause. At the expiration of every continuation of this control, there is apparently less rental housing on the market, and it seems to me that the Congress should face the situation realistically and embark upon a course that will produce more rental housing. If we are to have adequate housing, it must come from one of two sources; either because the property owners can furnish rental housing at a profit and not at a loss, or the Government must enter the housing field and furnish homes to our people. In short, the property owners cannot be expected to continue to subsidize the tenants. He must be able to operate at a profit or the Government must take over.

This question cannot be decided on emotion. There must be more low-priced homes, both for sale and for rent.

There are greedy landlords as well as greedy, inconsiderate tenants; however, landlords and tenants by and large are patriotic, good citizens interested in the welfare of their fellow men and their country. Congress must not foster class controversy or hatred. The tenants must have homes in which they can afford to live, and the property owners must have a fair return on their investments if the American way of life is to continue. Experience has demonstrated that rent control is not the answer.

Mr. Chairman, I cannot vote for this bill as reported by the committee because it will not produce more housing for anybody. I shall vote for the amendments which have been suggested and, if these amendments are adopted, the bill will be made much better.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Chairman, I do not know whether this is necessary or not. One says it is; the other says it is not. We have to take their word for it. However, there is one thing in this bill, Mr. Chairman, that I would like to call to the attention of the Members of this House. We took an oath to protect and defend the Constitution of the United States. A great many of us have taken that oath a great many times and a great many of us have read that Constitution probably a thousand times. Under this bill you give the Expediter the right to make the laws. In this bill we give him the right to make regulations and orders, and he has already done it, because when asked the question on some succession of an estate or something, he said it was not in there but they took care of it by making a regulation.

Under our Constitution, the very first line of the Constitution is that the legislature, the Congress, shall do all the legislating, and nobody else. If it were not for any other reason, we ought not to vote for this bill.

This bill goes further than the one we had before. I have never rented my house, but if I wanted to rent it and wanted to enter into a contract with you or anybody else for \$60 a month, the Expediter can step in and say, "The going rate in this area is \$40. Therefore, your contract is not any good."

I have always thought, as I read the Constitution, that the Federal Government forbids any State from passing any law impairing the obligations of the citizen, or the right of contract. So here we destroy the right of contract.

So there are two things, Mr. Chairman.

This morning the gentleman from Michigan told you about Runnymede and what the barons did to King John on June 15, 1215. The principal thing they took care of in that was property. Property is sacred in this country. Everybody should have a chance to own a home for himself and his family and bring them up under the Constitution.

So, Mr. Chairman, I think we should follow the Constitution a little better than we have been doing.

Under this proposed law the Expediter is given the right to confiscate your

property. There is not any question about it. Yet the Constitution says you cannot confiscate anybody's property without due process or without giving the man adequate compensation. The gentleman from Georgia [Mr. Brown] has an excellent amendment and, like the gentleman from Georgia [Mr. Cox] who said he hoped we would vote for it, I am going to vote for it. I am going to vote for the 90 days, just as the gentleman from Georgia [Mr. Cox] said, and then I am going to vote to throw the whole thing out, and I hope the rest of you will be with me when that is done.

Mr. Chairman, the powers that are not delegated to the United States expressly are reserved to the people in the States or the people in the several States. So let us let the States run their own business, and if there is a shortage of housing in Massachusetts, let Massachusetts pass a law that will take care of the people in that State. When did it happen that we have to look to an all-munificent Government to run our affairs, to say where we will live and how we will live and how much we will pay to live?

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MULTER. Has Massachusetts a local rent law?

Mr. NICHOLSON. Well, we have a kind of a stand-by law, I think. The Governor is going to put in another one, because I believe he believes it should be done by the State of Massachusetts.

Mr. MULTER. Is the gentleman's State legislature in session?

Mr. NICHOLSON. Yes, indeed; we stay in session up in Massachusetts for at least 6 months and take care of the laws that are needed for the people. And while I am on that subject, let me say to the gentleman that we in Massachusetts are able to distinguish between laws demanded by public necessity and laws demanded by public clamor. We had better start doing it down here in Washington and get back to the constitutional government under which we were born and brought up.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, I yield 14 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, this is the first measure before us in this Eighty-first Congress on which the vote will indicate whether we believe that we can be masters of the economic situation or that we must leave our fate in the blind hands of supply and demand. Carlyle, in one of his more acrimonious moods, said any poll parrot could be an economist. All you had to do to make him one was to teach him to say "supply and demand."

The last years have proven that we can handle the economic fluctuations if we will. They should also have taught us that we are all very interdependent—that the welfare of all is truly the only possibility for the long-term welfare of each. Some of us come from districts where rent control is of little local im-

port. In other areas it is of vital concern. Currently, our economy is very sensitive. If rents get out of hand it will mean less expenditure by the average consumer on other goods, many of which have already shown a decline in sales. And the chain reaction set off might well affect the entire country. Uncertainty, such as would come from a 3-months' extension, would add to the dangers of instability.

Opponents of rent control argue that it will be permanent. There is no foundation for this fear. An article on the French situation has been given wide distribution by proponents of this idea. In the first place, any analogy between the economic situation in France and in the United States is fallacious. I also wonder if the people quoting this article by, in the words of the subtitle, "a distinguished Frenchman" know that the author was referred to by one of our outstanding conservative metropolitan dailies as "the French Goebbels" and that it was he who introduced Hitler's Otto Abetz to Pierre Laval and now lives in exile from his country.

Rent control was inaugurated as an emergency war measure. Other controls have been removed as the pertinent situation became more normal. And likewise rent control will be removed as soon as there is a better balance between people needing housing and housing available at a price or rent they can afford to pay. The housing shortage is a fact, not a dogma, as the gentleman from Kansas calls it.

The answer to rent control is not inductive, not general statements about free enterprise, but more housing. I venture to say that had this body been permitted to vote on a housing bill in the Seventy-ninth Congress or even in the Eightieth, we would not be debating a rent-control bill today.

The vocal groups representing the average man testified for a continuance of rent control before the committee—the labor organizations, CIO, AFL, and some of the brotherhoods; the veterans, American Legion, AVC, Disabled American Veterans, Veterans of Foreign Wars, and Jewish War Veterans.

A member of the committee asked a veterans' representative this question: "Suppose the Eighty-first Congress does not extend and strengthen rent control; what would be the sentiment among the veterans of America?" The reply was: "I think the reaction would be very much against the persons failing to do so."

These veterans and wage earners know what protection rent control has given them and they know the housing shortage is not yet licked. They represent great numbers of tenants.

None of the arguments against the continuance of rent control for a short period are valid. The administration can be improved and will be by the bill under discussion.

What are some of the arguments of the opponents of the extension of rent control?

First. It is argued that the removal of rent control will stimulate the building industry. New construction is not under control and has not been for some 2 years. Today rents on new construction

are 75 to 100 percent above rents for comparable units, and even when it was under control were 20 percent above comparable units. And still we have a housing shortage.

It is not rent control, but the high cost of building that is the primary deterrent to building more rental housing. The builders know the current unreasonably high construction costs cannot last. They want to sell, make a profit, and get out. Mr. Roy Wenslick, a real-estate man of St. Louis, whose studies are held in high regard by members of his profession, reports that for a six-room house, between 1942-48, the sales price has gone up 105 percent, the uncontrolled rental 75 percent.

Rent control has not held back construction. The elimination of rent control will only increase the speculative and inflationary factors. What we need is continuance of rent control for a limited period and immediate housing legislation which will make possible greatly expanded production of permanent standard housing, particularly rental units, within the reach of middle- and low-income families.

It is argued that tenants are paying an unreasonably small percentage of their income for rent. The National Association of Real Estate Boards quotes the 1948 Survey of Consumer Income by the Federal Reserve Board showing that tenants are paying on the average 12 percent of their income for rent. They say that is too little, that the proper figure is 20 to 25 percent. It is true that in the depression years the higher figure was usual. But they do not quote a further paragraph of this report:

There is not much statistical basis for the traditional thinking that the average family spends one-fourth of its income for rent. Such a relationship probably exists only where incomes are at an abnormally low level during a depression and when at the same time rent obligations remain a relatively inflexible item in the family budget.

The smaller the family income the larger is the percentage spent for rent. Families with incomes under \$2,000 per year pay 21 percent, according to the report of the Federal Reserve Board; families with \$5,000 per year or more pay 9 percent. In other words, as incomes rise the percent of income spent on rent decreases even while the dollar amount actually increases.

Today tenants are paying the highest rents in history. If controls are removed immediately rents will go up still more. Several witnesses suggested that the increase would be at least 50 percent.

Rents for new construction, not controlled, are 75 to 100 percent higher than rents for comparable old units still under control. Rents for units which had not been rented for 24 months and were thus decontrolled are 89 percent above rents of comparable units. A survey of 44,626 units decontrolled by the present law showed rent increases of 55 percent.

Let us think of this in terms of the family. There has been some slight decline in cost of living, but in the adjustment there has also been some unemployment. A rent hike just now would not only be a threat to the stability of

our economy, but would have severe effects on the welfare of our lower-income families. These are usually the families with many children. Their living quarters today are far from what we would wish as homes in which to bring up American children—children who must be strong in mind and body if they are as adults to carry the great world responsibilities the American citizen must assume if we are to have peace. Let us be certain that we think of these homes, of these children, of our human investment as well as of the financial investment of the landlords.

The latter of course must be considered and has been. Opponents of rent control do not always mention such facts as that on multifamily dwellings landlords from 1941 through 1945 paid off \$400,000,000 in mortgages; or that the Federal Reserve Board reports that foreclosures have been reduced 75 percent between 1940 and 1947. If small landlords had been taking the losses suggested the number of foreclosures would have increased, not decreased. And the condition of housing has improved. The Bureau of the Census reported in 1940 that of 30,000,000 nonfarm dwellings 4,000,000 needed repairs, while in 1947 only 2,700,000 out of 34,000,000 needed much major repairs.

Now there have been adjustments in rents. Of the 17,500,000 million units, the maximum number ever under control, 6,000,000 units have been affected by area rent increases, by decontrol, or by hardship increases. The Housing Expediter reports that 63 percent of all petitions processed, that is 1,717,429 requests for adjustments, have been granted an average increase of 19.9 percent in rent.

The small landlord may use a short form in asking for adjustment. His name, address, the dwelling involved, the maximum rent, the rent requested, and the grounds are listed on a printed form. The bill debated here today gives him additional help from members of the rent control office specifically designated for this job. And all landlords will be helped by the method prepared by the committee for arriving at a reasonable and fair rent.

The tenant also gets more protection under the proposed bill in improved methods of enforcement, and especially in the matter of evictions.

There is just one more point I should like to mention. Many of the representatives of real estate groups insist that there is no housing shortage, that the problem is one of maldistribution of rental properties. Because of rent control, they argue, single people are occupying apartments; if the rents were higher they would have to double up or move into a room in somebody's home.

This remedy comes perilously close to a decision that single people have no right to a home, no right to privacy, that we must ration apartments through price. Now many of the single persons are employed women. Surely, since they lack all the joy that goes with a family, we should not go further and deny them a right to a small apartment home of

their own. This seems hardly the way to attack the housing shortage.

The sensible thing is to extend rent control for 15 months and meanwhile pass housing legislation which will enable both the Government and private companies to build housing people can afford to buy or rent. If we take the over-all point of view of the welfare of the greatest number, if we accept the realities of the economic aftermath of the war, if we really want to have economic stability, we will pass this bill.

Mr. CARROLL. Mr. Chairman, will the gentlewoman yield?

Mrs. WOODHOUSE. I yield to the gentleman from Colorado.

Mr. CARROLL. The distinguished gentlewoman from Connecticut is also a very able economist, and I should like to have her opinion on this point. As I understand, the cost-of-living index reflects a decrease of about 2 percent from September through January. What percent will this mean in the budget of those who are tenants? Does the gentlewoman have any idea? Will that offset this decrease in the cost of living as regards rents?

Mrs. WOODHOUSE. No. The increase in the rent would represent about four times what the decrease in the cost of living would be.

Mr. CARROLL. It is my information that there would be a 6 percent increase, and therefore it would wipe out this small amount that has been given in reduction of the cost of living.

Mrs. WOODHOUSE. The increase in rent would be higher than would be compensated for by the decrease in the cost of living.

Mr. CARROLL. There is a strange philosophy that as the cost of living goes down, as more people become unemployed, there is less pressure on the housing situation. I do not understand that. The gentleman from Michigan explained that as we go into more and more leveling off, with possible unemployment, there would be less pressure for housing units.

Mrs. WOODHOUSE. Less pressure for housing units makes for more misery in living, more people crowded into fewer rooms, poorer conditions for bringing up children, an altogether unhealthy situation which we, the richest country of the world, should never permit ourselves to allow.

Mr. CARROLL. I thank the gentlewoman.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, I am opposed to the continuation of rent control. The title of this bill should read, "A bill to guarantee that no houses will be built for rent until after June 30, 1950." A shorter title would be "A bill to discourage the building of houses for rent."

The statement on page 1 of the committee report that "as a result of exhaustive hearings the committee has concluded that the emergency with respect to the housing shortage growing out of the war still exists" should read "growing out of rent control."

Dictatorial rent control will increase the housing shortage. It furnishes an excuse for public housing and socialism. Our Government was established on the principle of private ownership of property; on that principle we have reared here in America the best, the strongest, and the richest country in the world. We have always believed that a man had a right to a reasonable return on his investment—whether it be from the toll of his hands, his business, or the property he owns.

Under this bill—far more hostile to property owners than the present law—that philosophy is abandoned. We are arbitrarily liquidating owners of rental property in favor of tenants and providing the excuse for public housing created by rent control.

I am informed that there are 2,000,000 less rental units today than there were at the beginning of the last war, or when rent control went into effect, and this in spite of the fact that 1,700,000 new units were constructed during the last 2 years. Rental properties are being removed from the market as fast as possible because there is no hope of reward from rental units. Rentals deserve the same freedom as food, clothing, and labor.

France has had rent control for 30 years. The people of that country watch the death notices now to obtain a place to live, and we are traveling in that direction.

In Blue Print for World Conquest, as outlined by the Communist International, the following statement appears:

The starting point is the expropriation of the landlords and capitalists.

Rent control is alien philosophy against our thrifty middle-class population who, in the American way, have striven to remain free and independent citizens instead of becoming wards of the Government.

The theory of rent control is that the landlord is rich and the tenant is poor—yet 80 percent of rental property owners have incomes of less than \$5,000 annually.

It does not take a financial wizard to know that the present cost of taxes, maintenance, repair, and operation of rental property is in many cases wiping out the income to which the owners are entitled. Many of them are widows, aged and infirm people, as well as minor dependents.

But, you say, they should go to the rent-control board for relief. Here is a statement from a widow, 74 years old, who writes to me:

Don't tell me to see the rent-control board. That's a farce; all they do is ask for costly reports, then more reports, then stall and do exactly nothing.

Rent control will not build new homes for rent. It actually increases the evil it is intended to remedy.

We, who have been known as a Nation of home lovers, see not only the creeping hand of socialism taking over our home ownership, but, through a law such as this, stifle the very building of more homes and apartments to care for our needs. It is the plowing under of our assets all over again.

I say to you that this is a vicious law—a law of discrimination against a segment

of our people—and the quicker it is wiped off the books the better it will be. No economy can exist half slave and half free. Eventually none of it will be free.

There is no reason on earth to penalize the property owners alone from obtaining an adequate return on their investment. If they are to be held to a rigid line, then the building and construction industries must be held down in the cost of materials and wages to the same level, in building new rental properties or in repairing old properties. What is fair to one is fair to all.

Rent control must go, or it will be used as a wedge to control another phase of our national life. It is un-American.

Rent control will not build new rental properties. That is proven by the history of stringent rent control in France. Rent control defeats the very purpose which it is supposed to rectify. We see today more and more rental property being taken off the market because property owners can no longer afford to subsidize their tenants. Property is falling into disrepair because the owners cannot afford to make the repairs necessary to protect their investments. Eventually all rental properties will become slums.

Cases have come to my attention where the tenant has offered to pay more rent, only to have the rent-control board refuse to sanction it.

Complaints against the injustice of rent control are coming from the little people, small property owners, from all over my district.

Let no one be heard to say on this floor that it is only the real-estate owners who are opposed to rent control. On February 23 of this year, representatives of small-business organizations from 38 States, said:

Let us begin practicing what we preach to the other nations of this world and mete out liberty and justice to our own 8,000,000 small owners of residential rental properties in America by terminating this un-American rent-control law.

It is my understanding that the gentleman from Georgia [Mr. Brown] will offer an amendment to allow a reasonable return on the fair value of any property. Is there any Member in this House who is unwilling to be fair to his fellow citizens? I will support such an amendment.

This bill, H. R. 1731, to continue rent control for 15 months should be defeated and rental properties, virtually confiscated by rent control, restored to their rightful owners.

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. McKinnon].

Mr. McKINNON. Mr. Chairman, we have heard remarks several times in the House this afternoon to the effect that there is no housing shortage. In the few minutes that I have at my disposal I would like to review some of the things we found out as we filled some 852 pages of testimony before our committee during the last several weeks.

In the first place, the present law provides for local advisory boards—nominated by the governors of the respective States and appointed by the Expediter—to determine whether or not there is a

housing shortage in any given area. We have some 767 advisory boards serving 600 defense areas since April 1, 1948. During that entire time since April 1, 1948, these local boards have recommended decontrol of only 14 areas. In less than 2 percent of our entire defense areas do we find a sufficient amount of housing to warrant decontrol of rental areas.

We also find from further testimony we have had before our committee another proof of housing shortages. The law provides for decontrol of areas or portions of areas by the Housing Expediter himself on his own initiative when he believes that the demand for rental housing has been reasonably met. In the past 9 months we have had 906 counties surveyed to determine the housing shortage in those various counties. The Housing Expediter, from facts and information he obtained in those surveys, has found it possible to decontrol only 26 of those areas, mostly in small, fringe areas lying on the outskirts of a large city. That, again, gentlemen, indicates a housing shortage in more than 97 percent of our defense areas.

The third reason that indicates there is a housing shortage in the United States today is the fact that the present law decontrolled new construction, conversions, units not rented for a 24-month period since February 1945, and permanent units in hotels. The Housing Expediter investigated 44,626 of these decontrolled units in over 1,000 cities in the 48 States in our country. He found that an average rental increase throughout all these decontrolled areas had taken place to the extent of 55 percent. In other words, the rents on places that did not have control had increased 55 percent in the past 2 or 3 years.

More than that, in some 8,000 units that came under the survey, rents had doubled in cost. In the 13,416 permanent hotel units in the survey, the rents had increased by about 60 percent. The fundamental reason, of course, is the fact that supply and demand are not in balance, and we do not have sufficient rental housing, and thus we do not have free competition in the establishment of prices for rental housing.

The fourth reason that indicates that there is a serious shortage in housing throughout our country is the many general statements that have been made to the effect that there is sufficient housing in such communities as Dallas, Des Moines, New Haven, Louisville, and several other places, calling for an investigation of the rental situation. The Division of Labor Statistics was sent in to investigate these claims that there was sufficient housing to allow for decontrol. But, instead, it found that just the opposite was true. In Dallas, for instance, in a study that was recently completed, there was a vacancy factor of less than eight-tenths of 1 percent; in Des Moines it proved to be four-tenths of 1 percent, according to this survey that was conducted by the Bureau of Labor Statistics, not by the Housing Expediter's office, not by the landlords, not by the lenders, but by a thoroughly impartial outfit.

The fifth reason that indicates insufficient rental housing in our country comes

because of population increase. Back in April of 1940, according to the Bureau of the Census, we had 1,846,000 married couples living doubled up. By April of 1948 that figure had increased to 2,333,000 married couples living doubled up in our United States. Our marriages during the period between 1930 and 1940 averaged 1,345,000 a year, but by 1946, due to the delay from war, marriages averaged 2,285,000 a year during 1946, 1947, and 1948. This has caused a big demand for housing and a serious shortage. As a consequence we often see our divorce mills loaded up; and one of the major reasons, our sociologists tell us, is due to the fact that there is not sufficient housing to give the average new family a decent start in life and a chance for a successful marriage.

One of the best indications we have as to the inadequacy of housing in our country is furnished by the current investigation being conducted by the Banking and Currency Committee of the Senate. Testimony before that committee was to the effect that we shall need about a million and a half housing units per year for the next 12 years if we are going to meet the need for current housing and living accommodations for our population.

We also had a number of groups coming before our committee testifying to the need for more rental units—that there is a shortage of rental units at the present time. Who were they? The A. F. of L., the CIO, and also the Veterans of Foreign Wars, the American Legion, the Disabled American Veterans, the Amvets, the Jewish War Veterans, and many other groups representing the men who went out and won the war for us in the past few years. They testified that rent control is very necessary if the veterans are to get a share of the housing at a price they can afford to pay.

And last, but not least of all, if you cannot take the experience, and the facts, and the figures of the eight disclosures above referred to, then I suggest that you, as a Congressman, forget the amount of money you now earn and put yourself in the place of a man who earns \$2,000 or \$2,500 a year and go out and try to find a place to live. Put yourself in the place of these people living on low incomes.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BUCHANAN. Mr. Chairman, I yield one additional minute to the gentleman from California.

Mr. McKINNON. Put yourself in the place of the man or woman, for example, who has an income of only \$2,000 or \$2,500 a year, and try to see if you can find a place in which to live. Then you will see whether or not there is a housing shortage. Experience is a very good school for certain kinds of people, and perhaps that experience would show many people that there most definitely is a housing shortage and that a further extension of rent controls is necessary.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. Jackson].

Mr. JACKSON of California. Mr. Chairman, we have under consideration here today and will have on tomorrow the bill H. R. 1731. This bill, as is the case with so many items of legislation, represents a great many things to a great many people. There probably are no two exact definitions, so far as this legislation is concerned. To the gentleman from Illinois it is almost an obsession; to the gentleman from Connecticut it is an absolute necessity; to others on this side of the aisle it is unfair, a monstrosity, and a few other things of that sort. So it is difficult to say exactly what it is, being, as it is, all things to all men. As I do not take issue with any Member of this body in his personal opinion with reference to the necessity for such restrictive legislation, I, in turn, must reserve to myself my own concept of it as a legislative sledgehammer to drive still deeper the socialistic wedge which will eventually crack open entirely the greatest political concept of government the world has ever known.

Rent control was in its infancy a wartime measure, and there can be little question among men and women of good will but that it was, as a wartime measure, very essential.

There are many of us who contend from an examination of the publications—the newspapers and want ads—in our own districts that this need has long ceased to exist and that the shortage of rental housing has come as a natural result of the withdrawal from the rental market of units which cannot be operated profitably under the present restrictive influence of an administration policy which gives every indication of seeking to take a course that leads down the broad road of state socialism.

A great deal has been said about the existence of a national emergency. If a national emergency does exist, Mr. Chairman, that emergency is far more dangerous in its inherent threat to our institutions and to our way of life than is represented in any threat to any of our military installations at the present moment.

People say, "Well, we can have rent control; it is not socialistic." My concept of any law that deprives an individual of the right to exercise control over legally acquired private property is that such a measure is socialistic, no matter what you call it or how you dress it up. You cannot have just a little bit of socialism. You cannot have a little socialism any more than you can be a little in the state of what the French call *enceinte*. Being a little socialistic is like shrugging off a minor detail like a cancer or any other malignant growth.

In the first place and unquestionably of primary importance is the fact that this is the crassest example of class legislation of which I have any personal knowledge. Is it class legislation directed against the drones in our society? Is it legislation directed against the dishonest or lazy or the parasites or those who would much prefer to earn their daily bread from the sweat of another man's brow? Is that the type of legislation it is? No. It is class legislation that is directed to the destruction of the property-owner class and to the eventual

strangulation of the fine characteristics which have served to build the finest nation in the history of mankind. It is legislation directed in its basic concept at thrifty citizens, at initiative, at enterprise, at the desire for self-improvement and the desire for a better place in the sun.

Mr. Chairman, I must say that I do not approve in full measure some of the legislation which is currently being contemplated by the Eighty-first Congress, but I do feel that most of it is general legislation which cuts equally across the entire spectrum of our economic life. That cannot be said about the rent-control bill which has been brought to the floor of this House for action today. For instance, when the Mundt-Nixon bill was under discussion in this House, it was objected to by the rabid left-wing element on the grounds that you could not point to one single group of the citizenry and say, "We outlaw you." We cannot do that to Communists who should be taken by the seats of their pants and tossed out of this country, but we can do it to fine American citizens whose most serious crime has been the acquisition of rental units, many of these citizens being entirely dependent upon those units and the income from those units for their livelihood.

The legislation is not in its fundamental and basic concept the sort of legislation which has served to make this country great. In the first place I believe, and I say this with all humble deference to the Justices of the Supreme Court, that the act is, by its very terms, unconstitutional in that it denies to an American citizen the right to full and unfettered control over private property legally acquired.

In the second place this measure represents confiscation without due process of law. I have a watch. Perhaps the distinguished gentleman from Connecticut does not have a watch. But, I will deny and vociferously the right of any Government agency to tell me that I have to let him take it home overnight every other night in order that he may know what time it is, because he lacks a timepiece himself.

In the third place this bill centralizes powers in Washington, powers which should rightfully repose in the States and in the communities of this country. It is a physical impossibility to write an over-all rent-control law for a nation of 148,000,000 people that will be as equitable in the middle of Chicago as it is in the middle of the Everglades or in the Rocky Mountains of the West. It encourages—and I think this is a most important factor—the complete breakdown in that concept of democratic processes which requires respect for the rights and constitutional prerogatives of others.

This bill extends the dangerous philosophy of the New Deal, which philosophy has served, for the first time in our history, to set race against race, creed against creed, black against white, employer against employee, tenant against owner, and citizen against citizen.

The committee, according to my understanding of its proceedings, has refused to amend the bill in what appears

to me to be a most reasonable respect. It was suggested by the gentleman from Georgia that, failing in other action, at least this House should say to the country and to the property owners of the country, "We believe as legislators that you have a right to a fair and reasonable return on your capital investment." It would be far from the ultimate in legislation, but it would restate, once and for all, a fundamental and basic principle of the American way of life. If we are going to have a Socialist state, let us not go in the back door to get it; let someone propose in the well of the House an amendment that will change the Constitution and make private ownership and control of property a treasonable crime against the state.

What about rent prices today? Are they high or low? How much should a family pay for rent? The traditional rule of thumb has always been, to the best of my knowledge, that rent should approximate 20 percent of income. We find today that the national mean, the national average, is from 10 to 12 percent, in spite of the fact that labor and material costs of every kind, services, and supplies, have skyrocketed all the way from 50 to 380 percent. We have not, as a matter of record, acquired any more rental units as a result of continued Federal rent control, nor are we apt to. The contrary is much more likely to be the case.

There are in this country and there are in my district single individuals occupying quarters which were intended to house an entire family, and that situation is certainly going to exist as long as we have Federal rent control with us. What is more, while we are talking about clearing the slums of today, continued Federal rent control is building up the slums of tomorrow because of the fact that the men and women who are attempting to operate rental units under present conditions cannot even keep up with the necessary repairs.

The gentleman from Massachusetts related a very appealing case which dealt with some veteran who was forced to trade in, or offered in the press to trade in, his medals won in combat in return for a place in which he and his family could live. I can only say in passing that if the Administration had not made it impossible to move the people who moved into that house when he was out winning those medals, he would not be faced today with the necessity of trying to trade them in return for a place to live. We hear a great deal about the veterans. There are 12,000,000 of them, but I think the important thing to remember is that the veterans of this country are Americans first, and they are veterans second. They certainly did not go out to fight the battles of this Nation and the battles of free men in order to come back to a regimented and total police state. Many own property, and many of their fathers and their mothers and their grandfathers own property. I think that is a very important point to remember.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from Connecticut.

Mr. LODGE. The gentleman is making a very interesting statement, and the gentleman is a veteran. Is the gentleman also a property owner?

Mr. JACKSON of California. I am very happy the gentleman brought that out. It so happens that I do not own one foot of ground, nor am I likely to get myself in that unfortunate position until I find out for certain whether the Housing Administration is going to have the power to dictate how I conduct my affairs around the house.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from New York.

Mr. MULTER. There are over 7,000,000 veterans who are heads of families who are now living in rental units that are under controls, and they will lose the benefit of this law if it is not extended.

Mr. JACKSON of California. That figure is predicated on some of the statements which have been made by the office of the Housing Expediter, and it has been my experience that in most cases he is more often wrong than right. I cannot hold any brief for the infallibility of Government bureau forecasts.

I certainly do not want to see a system of commissars set up throughout the length and the breadth of this land to control American citizens and to write legislation which should be written here on the floor of the House and in the other body.

If we are to veer off the rocks of state socialism, if we are ever to get back to some fundamental precepts which have successfully governed this country, this is the place to start. Let us be courageous enough to recognize inequity and injustice wherever it may be and, having recognized it, let us in the name of Heaven be strong enough to speak out against it. You cannot bend principles. One basic principle in this country is that a man has a right, an inherent, constitutional right, to control private property. You propose to take that right away from him. I propose to oppose you.

Mr. BROWN of Georgia. Mr. Chairman, I yield 12 minutes to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, as a member of the House Banking and Currency Committee, I have attended the hearings on H. R. 1731, dealing with the problems of the extension of rent control and veterans' preference in the purchase and the rental of newly constructed housing accommodations. The overwhelming testimony of the witnesses who appeared before our committee indicates that the housing shortage in this country is as acute today as it was during the war years, particularly in the large urban areas.

Most of the witnesses representing landlord interests admitted that fact, and, when pinned down, admitted that there was still a need for rent control. So the only real opposition to an extension of rent control comes from persons who are confusing the issue because they have put personal gain above what is good for the country. Their methods are to try to befuddle our thinking, or, failing in that, to cripple the adminis-

tration of the law by extending it for such a short time that its enforcement will not be possible, and it will wither and die. Both approaches are dishonest and an attempt to repudiate the very findings of our own joint, bipartisan committee which went out last year and did a thorough, workmanlike job of looking into the housing situation.

The American Legion, at its annual convention in Miami last fall, called the turn on the small but vocal minority which pretends to speak for the real-estate interests. In no uncertain terms, the Legion condemned not only the methods used by these saboteurs of truth—yes, even saboteurs of the basis of our democracy, the American home—but the Legion also announced unequivocally that this small element did not and never has represented the thinking of the great majority of the people in the real-estate business. And there are plenty of men in the American Legion who are in the real-estate business.

In the House Banking and Currency Committee hearings I was deeply impressed by the testimony of representatives of all the veterans' organizations. These groups, as we all know, represent both landlord and tenant interests. But in every instance these witnesses, recognizing the seriousness of the housing shortage in this country, recommended the extension of rent control. Once before these men had put aside the thought of selfish gain and flocked to the colors because that was what the country needed; now they prove once again that the good of their country came first, and they were willing to face it honestly.

The veterans' organization represented before this committee included the Veterans of Foreign Wars, the Disabled American Veterans, and the American Veterans' Committee, the AMVETS, the American Legion, and the Jewish War Veterans.

Representatives of the two great labor organizations in this country, the A. F. of L. and the CIO, made a vigorous plea for a 2-year extension of rent control and predicted that we would be faced with a serious national crisis unless rent control was extended. A representation of the Brotherhood of Railroad Trainmen, representing 200,000 members, made a similar recommendation.

Some of those who are opposed to rent control, admitting that the demand for housing far exceeds the supply, contend that this is due to an inequitable distribution of dwelling space, and blame this maldistribution on rent control. Conceding that there has been a slight increase in the dwelling space occupied by the average American family, we cannot get away from the fact that we are in a serious housing emergency and that it will be several years before the supply of housing in this country catches up with the demand. We certainly cannot, by lifting rent controls, expect the American people to exchange their housing accommodations so that they will occupy the appropriate amount of dwelling space for a particular-sized family unit. It seems strange that those who are crying aloud that rent control is a form of police state would advance such a contention because it is only a police state

that could distribute housing according to the needs of the occupant.

We are told also that the housing problem will shortly be relieved by new construction. I, for one, certainly hope that that day will be here soon. When that day arrives there will be no further need for rent control in this country. The facts indicate, however, that that day has not arrived and will not arrive in the near future. Although we have built over 2,500,000 new dwelling units in the last 5 years, this addition to the housing supply has merely absorbed in part the increased demand arising from large population increases and substantial increases in marriages and family-unit formations.

In our committee's report to this Congress, we have set forth a table showing the population of this country for the years 1940-48, inclusive, and the number of marriages during this period. These figures give us the answer as to why we are faced with a serious housing shortage in this country. Between 1940 and 1948 our population has increased from 131,979,000 to 146,114,000. The number of marriages increased from 1,595,000 in 1940 to a high of 2,285,000 in 1946. There were approximately 2,000,000 marriages in 1947 and 1,815,000 in 1948. By comparing these marriage figures with the average of 1,345,000 for the decade 1930-39, we can understand the tremendous pressure that has been placed on the housing market since 1946. It seems to be the consensus of opinion among those who should know that the number of new starts in housing will be less in 1949 than it was in 1947 and 1948. This is due primarily to the fact that the building industry is unable to construct houses for sale or for rent at prices that most Americans who are in dire need of housing are able to pay. You and I know that the average American veteran is unable to pay \$10,000, \$12,000, or \$14,000 for a house, or pay a monthly rent of \$100 or more, but this is what he must pay for newly constructed units. It is quite apparent that it will take years before sufficient new homes are constructed to relieve the pressures on residential rents in the larger cities in the United States.

In the Housing and Rent Act of 1947, which became effective on July 1 of that year, the Congress provided for the establishment of local rent advisory boards in all defense-rental areas. These boards were to consist of at least 5 members, who were to be appointed by the Housing Expediter on the recommendations of the respective State governors. In the Housing and Rent Act of 1948, which was effective April 1 last year, the Congress instructed the Housing Expediter to balance the membership on these boards so that landlords, tenants, and the general public would be properly represented. It is interesting to note that only 17 of over 750 of these advisory boards in approximately 600 defense-rental areas have recommended decontrol of an area, or part thereof. What better evidence can we have of the need for the extension of rent control than this? These boards, made up of representative American citizens who know conditions in their areas, by their failure

to recommend decontrol of their respective areas have given this Congress a mandate to continue rent control in this country.

The Housing Expediter in his testimony before our committee pointed out that within the last 9 months his staff made decontrol surveys in 986 counties throughout the United States, and that on the basis of these surveys, he has been able to take only 31 decontrol actions, and these mostly in fringe communities.

I could cite city after city, both large and small, throughout this Nation, which, according to the testimony presented to our committee, have practically no vacancies, and many others where the vacancy rate is less than 1 percent, but I shall not burden you with these further facts because I firmly believe that the need for the extension of rent control is quite obvious.

The opponents of rent control say, "Let all controls die on March 31, 1949, and the housing shortage will solve itself by the application of the law of supply and demand." They admit that rents will rise in the event that all controls are lifted but claim that the rise will be reasonable. They admit that there will be a considerable number of evictions immediately after controls are lifted but say that these shifts will only result in a more equitable and reasonable distribution of dwelling space.

I say, my dear colleagues, that these people, no matter how sincere, are completely blinded to the realities of the situation. We can get some idea as to what will happen to rents in the event that rent control expires this month by looking at the effect of the Housing and Rent Act of 1947, which decontrolled certain classes of housing accommodations. By this act, for example, Congress decontrolled all units which were not rented for the specified 2-year period and most hotel accommodations. The testimony before our committee indicates that the rents for these decontrolled units skyrocketed immediately after the effective date of the act.

The Housing Expediter testified that a sample survey indicated that the average rent increase in 13,416 permanent hotel units and units not rented for the specified 2-year period which were decontrolled was 60 percent. Hundreds and hundreds of individual cases of exorbitant rent increases where rents have been decontrolled were cited to the committee at the hearing on extension of rent controls—some of them having doubled and tripled. The testimony also disclosed that rents on newly constructed units which were decontrolled by the 1947 act were increased on an average of about 60 percent.

It is my honest conviction that the removal of all Federal rent controls at this time would result in chaotic conditions, particularly in our larger cities. Hundreds of thousands of American families faced with substantial increases in rent greater than their ability to pay would be evicted from their homes; hundreds of thousands of others in the middle- and lower-income groups would be forced to pay the higher rent and would suffer great hardships because of their inability to properly provide themselves

and their families with food, medical care, and other necessities of life.

President Truman, in his Economic Report to the Congress under the heading "Policies to combat inflation and to promote production in certain industries," had this to say about the extension of rent control:

The present housing shortage makes it necessary to continue rent control for at least 2 years and to strengthen its enforcement. I recommend that this be done.

Even if the most optimistic interpretation is placed upon the slight reduction in the cost of living in recent months, it would be unwise to lift living costs again by rent increases even larger than the moderate ones taking place under the present system of control. Such a course would inflict further hardship upon the families who have already been the prime victims of inflation, and would make it harder to exercise moderation in wage demands.

The bill reported out by your Banking and Currency Committee would extend rent control for a period of 15 months from April 1, 1949. It would cure some of the weaknesses in the present law by recontrolling certain accommodations which were decontrolled by the 1947 act, and by giving the Expediter authority to regulate evictions and to sue in treble damages, where a landlord willfully overcharges. These are very necessary changes in the present law if we are to have effective rent control in this country for the next 15 months.

The present law decontrolled practically all hotel accommodations, including permanent accommodations in residential and apartment hotels where customary hotel services were provided. The result has been that thousands of American people who have been living in this type of accommodation for years have been required to pay exorbitant increases in rents. A great many of them have been forced to vacate accommodations which have been their home for a long period of time. I am very glad to see that our committee has seen fit to make provision for the recontrol of all accommodations in residential and apartment hotels so that these people will be given the same protection as is given to tenants in apartment houses. I fully recognize that many of these hotels have expended large sums of money in rehabilitating and modernizing their structures and refurnishing their accommodations, but the reported bill provides adequate provisions for adjustment to grant relief in such cases.

The need for strengthening the enforcement provisions of the act was very apparent to the committee. The testimony indicated that there has been an alarming increase in overceiling rents since the effective date of the 1947 act because of the lack of enforcement powers in the Housing Expediter. Effective rent control requires adequate enforcement sanctions, and therefore the reported bill properly provides for suits by the Housing Expediter where a landlord overcharges.

This bill is fair to both tenants and landlords. It gives reasonable security of occupancy to the tenant, but at the same time continues present provisions for adjustment of maximum rents which are inequitable. It also continues the

provision giving local rent advisory boards authority to recommend general rent increases, which recommendations must be approved by the Expediter if appropriately substantiated.

The reported bill very properly provides for the continuance of veterans' preference in the purchase and renting of newly constructed and newly converted housing accommodations. I am sure that it is the will of this Congress that veterans of World War II who have been the chief victims of our housing crisis be afforded this continued advantage.

I trust that this House will give overwhelming support to the bill reported out by the committee so that this country will have an effective rent-control law for the next 15 months. If we fail to pass this bill and permit rent controls to lapse at the end of this month, I feel that this country will face one of the most serious domestic crises that has confronted it in this generation. I earnestly solicit your support for this bill.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, I am not a landlord. I have never represented a landlord, so far as I know. I have an old ancestral farm that I never intend to subdivide and go into the housing business. I am not a member of this committee, but I came to Congress in the first place because, after studying socialism around the world to some extent, I found, at the bottom step of the ladder of every Socialist state, rent control.

Rent control means without exception scarcity, just as OPA controls of all kind have meant scarcity, rent control, price control, generally stop production. A stoppage of rental housing means without exception Government housing. The cry goes up everywhere, "Give us a house," when the compulsory state stops the free market in housing by rent control. Because of that I wish to dwell these moments assigned to me on certain fundamental facts.

It happens in our country, by the statistics of the Census Bureau, that there is no housing shortage, but there is a tragic shortage in rental properties. That is the difference. Now, let us bear in mind that there is a very great difference between whether there is an actual over-all housing shortage or a rental shortage. The Census Bureau has published, and the Joint Committee on Housing of the House and Senate has published in House Document 1564, the actual number of dwelling units in the United States in 1940 as being 34,854,000; in 1947 the dwelling units numbered 39,016,000, or a gain of approximately 4,000,000. But here is the significant thing about these figures: For the first time in the history of our country the number of rental units declined; that is, the housing that was offered for rent declined from 1940, when the rental units stood at 19,658,000, down to 17,669,000; that is, we had approximately a little over half of our people living as tenants in 1940. By 1947 they had been reduced to 45 percent of the people living as tenants and 54 percent living as owners.

Never in our history have we had such a liquidation of housing for rent; and that, Mr. Chairman, is the evil of the compulsory state's management by central government of this economy called housing.

What has it done? It has forced liquidation on a large scale of the 8,000,000 property owners. Most of them are little property owners—at least 6,600,000 of our little property owners own two rental units on the average—they are the carpenter, the mason, the retired farmer, the person who has saved and built a two-family house. The owner lives on one side, and the tenant on the other; the owner acts as caretaker and janitor and looks to the tenant for his old-age security. Those are the folks who have built rental properties in America: 6,600,000 of them; and it represents \$67,000,000,000 of savings. Under rent control, under the compulsory state's management of that economy, we have forced a liquidation of 2,000,000 units of that \$67,000,000,000 worth of property. It has been liquidated at about 60 cents on the dollar. Would that not be so? The people have crashed the market with property for sale. Everywhere it is the same. Listen to these figures and see whether or not you can spell housing shortage from them. There has been no such liquidation of property apparently in the history of our country as we have seen under rent control.

The propagandists say, "Look at the money these people are making by selling houses." But, Mr. Chairman, there is a tragedy behind that. These little people have been by the socialist State actually liquidated to the extent of 40 per cent of the value of their property. Rent control means, if it means anything at all, the forced rental of property for less than its market value. The rental that these people have been able to get is 40 percent below the market at least. When you take 40 percent away from the rental value of property, you take away 40 percent from the value of the property itself. These people with their life savings invested have had to save what they could from the wreck. They have had to liquidate in order to make themselves safe for the future.

Here is the way the dumping of property goes on in all the big cities: In 1940 the New York Times carried 6,322 classified advertisements of houses and apartments for sale. In 1948 it carried 23,636. In Chicago it ran from 11,000 to 32,000 and in Los Angeles from 18,000 to 78,000.

Is that housing shortage? That is a liquidation of housing.

Who is going to build the houses of the future? Nobody in the world except the six or seven million little property owners who have been in the business of building property for rent. If you destroy them you destroy all possibility of rental property coming into the market.

I ask you, Is anyone here willing, himself, to invest his money, his savings, in a rental property? I ask the question, Will you make an investment on a 15-to-20-year basis to rent under Government management of our economy?

The answer is that these little property owners are refusing to build houses.

They are refusing to employ the carpenters, masons, plumbers, and painters who are now going on the streets unemployed. These very people that the Government under socialism liquidates, the source of building houses, have had to quit. So the economy is stopping now at the point where half of our economy in building should be going ahead.

The forced liquidation of rental properties is increasing at an accelerated rate. These people have hung on hoping that rent control would be discontinued as we promised that it would when the war was over, and when the emergency was over.

The people who make it a business to build rental property are quitting because they have no confidence in their Government. This Government itself in this field of our economy has morally collapsed. Nobody believes in it. Nobody can make his plans for the future on what this Government will do. No commissar of government can be trusted with regard to property investment.

With the moral integrity of government itself gone, the individual stops. The individual is the sole source of invention, production, cooperation, and the know-how by which our economy goes forward.

The individual will begin to build houses for rent and put his old houses in the market for rent when his confidence in his Government is restored—not before.

Just now he sees nothing ahead but exploitation of the property-owner group for the benefit of another group, because they have the most votes, allegedly. That to him is strictly in accordance with Marxist doctrine by which a free society is destroyed. Socialism has no moral basis. It inspires no confidence, and there will be a worsening of conditions in rental housing until we restore law and order in the Government and constitutional rights of the individual to which the Government must hold fast with integrity and with determination.

Did you remember that old game we played as kids called "Chairs"? You remember the fellow who stood out in the middle of the floor; as long as everybody was frozen to a seat he had no chair, neither he, or she. But on a signal they had to move. When they moved, he had a good chance of getting a chair.

Now, we have destroyed the moving day in our housing economy. Everybody is frozen. Nobody moves unless he dies. All these veterans mentioned are standing out there in the middle, like they stood in the game of chairs. Nobody moves. Our occupancy of one person per apartment increases. Two persons per apartment increases, when there should be three or four in each apartment. The third floor is not rented; the second floor is declared vacant; apartment after apartment is not for rent. The old houses are not reconditioned for rent. They are sold.

That makes the shortage of houses for rent.

Veterans who came home were on the outside, everybody else who stayed at home were frozen in. People moving from one city to the other are paralyzed

in their effort. Our economy is breaking down. What is worst of all, the people themselves have become afraid of freedom.

They are crying to this Central Government like they are in Europe, which has already destroyed the economy in housing. They say "Oh, almighty state in Washington, please hold us where we are. We look to thee for help." All the time the people who own property are liquidating and selling and throwing the tenants out on the street and into the arms of the chiseler. The Government itself has created the situation. The chiseler is that person who alone strives in rent control. There is no cure for a chiseler or for a shortage in the management of Government economy except freedom itself. If there is freedom in our economy, if there is competition, the chiseler goes out of business overnight. He is the man that refuses to obey the bad law. While 95 percent insist they must obey it. He is the man that puts in the hearts of all of our people the fear of what will happen to them if they are put out of their apartments. Let us do away with the chiseler. Let us do away with the restrictions that create him. Let us do away with our inability to move according to our needs and according to our pocketbook, and with more over-all housing per person per family now than ever before we will make the adjustment as we always have.

Let us put our faith, Mr. Chairman, in the free economy, in the good life we have known for 165 years. Let us refuse to put our faith in European statism, of the compulsory devil state itself, in the management of our affairs.

Let us stop exploiting one group to benefit another group. That is socialism itself. That is the robbery by which all alike lose everything and especially the tenants.

Mr. MONRONEY. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, it is the solemn duty of this Congress to extend and strengthen rent control. We, to a great extent, are responsible for the necessity of continuing rent controls. Immediately after the shooting war stopped, Congress should have provided for a housing program of such magnitude and effectiveness, that housing accommodations would have been available to all. Unfortunately, that was not done. Therefore, rent control is necessary today, for we know that the housing shortage is still critical and will remain so for several years to come. Right now the little people of the country—widows and orphans, those receiving Government aid and pensions, the blind, the veterans—who cannot speak for themselves, look to us for effective and adequate rent-control protection.

The Joint Committee on Housing of the Eightieth Congress—a bipartisan committee—reported that in the spring of 1947 over 2,000,000 families were living doubled up—sharing homes with others, a half million were living in temporary housing, and 6,000,000 persons were living in housing below accepted standards of health and welfare. The

facts show that the housing shortage has become greater since then, and total building during this period has not even met the increase in family formation.

Landlords and the real-estate lobby threaten mass evictions—permitted under the present law—in order to compel us to withhold further action on rent control. Can we allow such tactics to continue? There are a total of at least 12,000,000 people at the bottom of the economic ladder in this country, who must survive on an average of no more than \$45 a month, as well as those existing on unemployment insurance, veterans' pensions, civil-service pensions, and railroad-retirement pensions. If we were to have no rent control today, would any portion of their small incomes be left for food, or would the amount they receive be insufficient to pay for shelter?

Rents are a major item in the living costs of an average American family. No one can choose to do without shelter, nor can he provide himself with a substitute for it. We cannot divorce the cost of housing from our consideration of other economic problems. We have proof that we are still woefully short of housing, although the market seems to be saturated at high prices. Many have purchased homes they could not afford because they could not find places to rent at all, or because they could not afford to pay the rents being charged. Release of rent controls would force thousands of others to take the same unwise course—at the expense of diets, medical care, clothing, and other necessities of life.

When the Congress removed controls over new construction, it did so in order to encourage the building of new homes, and to correct the evils heretofore discussed. Did the decontrol of new housing accomplish the results claimed? The answer is, definitely No. Private industry cannot provide housing for less than \$30 per room today, and the average American for whom these houses are being built, cannot afford to pay such rents.

We know that temporary housing is no solution. The State of New York attempted to alleviate the housing shortage by erecting temporary housing for veterans. Fox Hills, built only 2 years ago is already not livable—it has deteriorated into hovels standing in mud, which do not keep out the wind and rain—and the occupants must now be provided with new homes. New construction which is going up and which should provide homes for these veterans, is being offered for rent beyond their means, as their wages average only \$56 per week.

The rent control bill before us is not satisfactory to me. Of course, I will vote for it, because without any controls, the housing situation in this country would be catastrophic, but I do plan to present amendments which I think are reasonable in view of the present emergency. I took the same position in committee that I take now, and offered the following amendments there. However, they did not receive favorable consideration, and I shall, therefore, offer them at the proper time before this body, and press for their passage.

The rent-control law should be extended to June 30, 1951. We know that the housing picture will not change for several years to come. Let us use foresight and enact the necessary protective legislation to see us through until the emergency is over and we have adequate housing. Should conditions improve sooner, there are sufficient provisions in the bill which would give the President, as well as the Housing Expediter, the right to terminate controls. Also, Congress has the right to enact legislation to end controls sooner, if conditions warrant.

As I have pointed out before, in removing controls over new housing, we did so with the assurance that enough buildings would be constructed to care for the shortage. That promise has not been kept. Less buildings were built last year than previously, and those that were built were out of reach of the average American. We must restore controls on all construction—new and old—or we will never solve our housing problem.

I feel that the inequity provision of the proposed bill should be completely eliminated, and that adjustment on the ground of hardship should only be considered by the Expediter in cases where the landlord has suffered an actual monetary loss in the operation of the housing accommodation. Further, no adjustment should take effect retroactively. The present law and the bill before us now, give the landlord the right to select the highest net operating income that he secured in any 2-year periods since 1939 and compare it with the period for which he seeks the hardship adjustment. And the Expediter will grant to the landlord such increase for the period requested, in order to restore the net operating income which he had in his two best years. Such a provision is unfair and unjust, and has no place in this type of emergency legislation. My amendment provides that a landlord has the right to apply for a hardship adjustment only in the event that he suffered an actual monetary loss in the operation of the housing accommodation.

Another scheme has been devised to compel the tenant to pay an unwarranted increase in rent, when all other attempts fail. This is called an application based upon comparability. It seems to me that this is the rawest kind of a scheme, designed to squeeze from the tenant the last available penny. All the landlord has to do in such case is to apply to the Expediter's office for a rent increase on the ground of comparability—which means that the landlord is receiving a lower rent than a comparable house or apartment is bringing. It is not necessary for the landlord to designate the apartment or building by name or number. It becomes the duty of the Expediter's office to go through their records and find a building which they consider comparable to the landlord's and then grant the increase. This service is granted by the Expediter's office without charge. It seems strange that a Federal agency should act as a representative of a landlord to grant an increase which is not justified. This practice works against the better interests of

the American people and defeats the very aims of rent-control legislation.

The landlords have appeared before our committee asking for assistance and begging us to be "fair." Let us examine the case of the landlord. We find that before the acute housing shortage developed landlords suffered substantial losses due to vacancies and nonpayment of rents. Further, they formerly expended considerable sums for decorating and repairs, in order to retain tenants and attract new ones. Since the housing shortage became critical we know that the losses from vacancies and nonpayment of rent have almost disappeared and the need for competitive expenditures has vanished. Further, most tenants have assumed the cost of decorating and minor repairs. Figures show that landlord's incomes have been greatly increased by the 1,771,000 individual adjustments, by general area rent increases affecting 430,000 housing units, and the so-called voluntary 15 percent leases signed for 2,100,000 units under the 1947 and 1948 acts. These factors more than offset the expenditures actually incurred by landlords for essential items. A recent survey of 98 cities shows that the net operating income for apartment houses in 1946 was 24.7 percent higher than the average for 1939–40 and the net operating income for small structures was 31.2 percent higher. In New York City it was found that the net operating income in 1947 was nearly 10 percent higher than in 1943. We should not permit hardship adjustments to be granted on such a fallacious and ill-advised formula.

With respect to inequities, we know of cases where landlords applied for increases in rent because a rear apartment obtained a little sunlight for a few hours of the day, and in the landlord's eyes it made it a more desirable rental unit than a front apartment which was not fortunate enough to get a little sunlight. Since when can landlords charge for sunlight? Should we place premiums on sun and air and allow unscrupulous landlords to charge for them?

The bill before us puts back into the hands of the Expediter the right to grant certificates of eviction. These certificates are granted without any testimony being taken. The application is made by the landlord in writing, and the tenant submits his written answer. There is no opportunity given to either party to testify or cross-examine the other. In other words, a substantial right is taken from both parties when they do not have the right to a court of review. My amendment proposes to give either of the parties the right to appear in a court in which eviction cases are brought, and have the decision of the Expediter reviewed by a court and jury on questions of fact as well as of law. In my opinion this is the only fair way to protect the parties where such substantial rights are involved.

It is also our duty to prevent any gouging and exploitation by landlords—such cases having reached a high point during the past year. A frequent and most objectionable racket is to demand that a prospective tenant pay an exorbitant

price for furniture, which is no good and which the tenant does not need, before he can rent the apartment. In many cases large bonuses are obtained from prospective tenants—a hold-up which must be submitted to if the applicant wants a place to live.

In New York, where rent gouging is a crime, cases against landlords have brought shocking practices to light. In order to prevent continuation of such crimes, we must instill the fear of jail into the hearts of these inhuman creatures. Now that we are giving the right to the United States to intervene in the treble-damage suits, which will, in my opinion, remove a potent weapon from the law-enforcement agents of New York as well as other States that might feel inclined to enact such legislation, we must fortify the present rent-control bill. We should add to it a criminal penalty provision which would give the Government law-enforcement agencies the power to properly punish such landlords who prey upon those in desperate need of shelter, and who must reluctantly consent to any outrageous demands made upon them.

Finally, we must, by direction or otherwise, advise the Housing Expediter that the tenants are entitled to live in apartments and houses as human beings; that the apartments must be clean and habitable and not in disrepair. The Expediter's office states that we cannot insert in this bill any provision regarding the length of time that must elapse before a tenant is entitled to a paint job; that this question must be decided locally. I can see that it would be difficult to legislate on this point for the entire country, but I do serve notice now that I will insist that the expediter in New York promulgate rules to provide for restoration of such necessary services as painting, and so forth, which were heretofore in effect under the OPA. People must be allowed to live decently; nor should they be penalized for asking for their rights under the law. How would you like to live in an apartment whose walls were painted a nice sticky, depressing dark brown? That is known as spite painting, and we have had many such cases in New York. When compelled to paint an apartment, landlords have been known to use materials which would not dry on the walls, and colors offensive to live with. Rather than make the request of the expediter when the time limit had expired, a tenant has not asked to have his apartment painted, when threatened with spite painting by the landlord.

The present law that we seek by the bill before us to extend, was a tragic blunder. The law was so written as to invite evasion on the part of the landlords. The invitation was taken up, and how!

We are now able to right that wrong. We owe it, not only to ourselves, but to the American people. On November 2 last, they spoke in no uncertain terms. Their votes demanded more housing which they could afford to pay for and for a real, strong, sympathetic rent-control law. It has been traditional with us

that we have kept our word. Let us not falter now, but without delay, live up to our obligation and legislate to protect our people as they expected we would, when they sent us to Congress.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, no words can adequately portray the serious damage which rent control is causing to our economy, or the injustices which this socialistic device has wrought upon our people; nor is it possible to overemphasize the danger in any further extension of it to the future well-being of the Nation.

Rent control affects not only renters and owners of rental property, but the public generally. Directly or indirectly it touches almost every segment of our economy. Home building is in fact the very foundation of our economy. Therefore anything which in the least hampers this industry must of necessity have an adverse effect upon all industrial processes.

As experience, of which there has been an abundance, has clearly shown, rent control in every country where it has been applied has had the effect of seriously retarding the construction and upkeep of rental housing. However, our own experience alone should convince any reasonable person of the deleterious effects which rent control has in these respects.

During the depression of the 1930's there was an oversupply of rental property. There were many vacancies. A point of the utmost importance is the fact that following this depression war conditions not only made it possible for renters generally to avail themselves of all existing housing space, but, according to a recent census report, of more on a per capita basis than they had customarily occupied. This situation has contributed in no small degree to the difficulty many families are having in finding rental quarters.

This was the situation that confronted our returning World War II soldiers who had recently married or were looking forward to doing so, of which there were many, many millions. The rent-control law had in effect destroyed the rental market and given the families occupying rental homes what amounted to a monopoly on them. The answer given by the Washington politicians for their conduct in creating this state of affairs was little else but the shedding of crocodile tears, demagoguery, and false promises.

Prices and wages had risen substantially during the war while rents had been fixed at comparatively low rates. There can be no question that the rent-control law had the effect of greatly favoring those renters who had remained at home and sharply discriminating against those who were forced by law to go to war and who would be in need of rental homes after cessation of hostilities. Simple justice would have demanded the release of all political restrictions on the rental market so as to give veterans and their families, as well as others in need of rental housing, equal opportunity with those who were sup-

plied with housing, to bid for rental space.

It cannot be too strongly emphasized that rent control is a purely socialistic device. It definitely confiscates private property. It expropriates rental property owners as surely, though not as yet so completely, as took place with rental property owners in Russia under the Soviet Socialist regime, and as is presently proceeding under the Socialist regimes of France, England, and other European countries. Socialism in Europe and our own country is confiscating outright the savings of the people which are in the form of rental property. Mark well the crucial fact that rent control expropriates the fruits of the labor of one class of our citizens ostensibly for the benefit of another class, which follows the Marxian formula for destroying freedom and the right of every person to enjoy the fruit of his own labor, and substituting therefor total socialism—that is, unlimited plunder by the political authority of the producing element of the population.

To be sure, if the political authority can get away with this in respect of one group, it is in a position—or well on the way to such—to do the same to all, just as eventuated in Russia and is now taking place on an ever increasing scale in France and England and practically all the rest of Europe. The point is, that the renter group itself is also marked for eventual liquidation.

Indeed this group, along with the remainder of the producing population, is already being expropriated. Many insidious political tricks are being used to effectuate this object. I shall mention only one, though it is the most effective of them all, perhaps even basic and without which the others would be practically impotent. I refer, of course, to the insidious practice on the part of the political authority of printing money to pay for its socialistic programs. It has already run off the printing press hundreds of billions of dollars of such money, actual and potential. In addition to having destroyed the price mechanism, the law of supply and demand, indeed all true values, moral and spiritual, as well as material, which profoundly affect the renter group, as well as all others, printing-press money has permanently destroyed a great part of the purchasing power of the savings invested in life insurance, of savings loaned to the political authority against what are called savings bonds or Government securities, of savings which are in the form of bank deposits, and of savings supposedly invested in old-age and survivors insurance, and so forth. No group has been hurt more by this, the most potent of all socialistic devices, than the renter class, which is mostly composed of wage earners and others in the lower-income groups, because they have invested their life savings in the above-mentioned ventures.

Of all the contrivances for cheating the laboring classes of mankind—

Said Daniel Webster—

none has been more effectual than that which deludes them with paper money. This is the most effectual of inventions to fertilize the rich man's field by the sweat of the poor man's brow.

If Daniel Webster were living today he would perhaps alter this language so as to read, "This is the most effectual of inventions to fertilize the Socialists' field by the sweat of the poor man's brow."

Ordinary tyranny—

Said Webster further—

oppression, excessive taxation, these bear lightly on the happiness of the mass of the community, compared with fraudulent currencies and robberies committed by depredated paper—

That is, printing-press money, commonly called inflation.

These facts are pertinent to a consideration of rent control because they show that renters are paying dearly for any real or imaginary benefits they may be deriving from such control. It should be borne in mind that the same political regime has with one hand made those benefits possible and with the other hand destroyed their life savings. Even such benefits as renters may be receiving through rent control can be only temporary.

Surely most renters of residential property must see the pernicious implications and far-reaching dangers of rent control, if not as they affect themselves, then surely as they are bound to affect their children.

If immediately after the war all political controls that directly or indirectly affected the construction of rental housing had been completely and permanently removed, and if all politics had likewise been eliminated from the home-building industry, the housing problem would by now be pretty well solved and rents would be in line with other living costs where they justly belong.

Every extension of rent control fastens the evil more securely upon the Nation and entrenches more firmly the forces of socialism, bringing our people ever closer to the slavery which socialism has already imposed and is in process of imposing upon the inhabitants of the Old World.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, to the circumstance of the passing by the Eightieth Congress of the Rent Control Act of 1947 do I owe my opportunity to raise my voice in this well. In the district that I represent, the Second District of Illinois, there is a Republican majority; it is a substantial Republican majority; in the reapportionment of the State it was intended that the Second Congressional District of Illinois should remain Republican; but in large part because of the provisions of the Rent Control Act enacted by the Eightieth Congress those Republican voters, as well as Democratic voters in the Second Congressional District of Illinois, voted me here.

In the Second Congressional District of Illinois are many apartment hotels. Millionaires do not live there; the tenants are school teachers, retired school teachers, retired municipal employees on pension, and educators from the University of Chicago. I will say that by and large in that district the average rent paid is

about \$10 a week. The Eightieth Congress in its great wisdom decontrolled the residential and apartment hotels; and those people—because of that and because of the distress that came upon them—and by distress I mean real distress—men who were paying \$65 a month rent for a roof over families that contained children, and men perhaps making \$250 a month, on fixed salaries, had their rent raised to \$200 and \$225 a month. What was their answer? It was to go forth on the 2d day of November and to vote to send to this Congress as the Representative from the Second District of Illinois someone who was not a Member of the Eightieth Congress and who voted for the decontrol measure.

People are not fools; there is a lot of common sense in even the person who has not very much vocabulary, who has had his experiences in life; and in Chicago there is not anybody who does not know that there is a housing shortage. Some of these good people who were in the galleries and who applauded loudly a spokesman for the sacred rights of property were here because they had the money to get here. I thought of the people back home who didn't have the money to come to Washington, and who will face goodness only knows what if, when there are no homes to rent within their means, they are left without the protection of rent control.

Mr. Chairman, we have been here a long time today, and at the moment not many are present in this chamber. The chairman of the committee on which I have been privileged to serve has been gracious enough to divide my time so that I might start this afternoon and complete my remarks tomorrow. I should like to bring to your attention something to which common sense can apply the rule: Do we get anywhere when we decontrol? I shall bring to you tomorrow the facts as those facts are shown in my district in the case of apartment and residential hotels and also in the case of commercial properties.

I shall show tomorrow in my remarks here that the decontrol of apartments and residential hotels did not result in any new construction.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from New York [Mr. MULTER] such time as he may desire.

Mr. MULTER. Mr. Chairman, on behalf of my distinguished colleague the gentleman from New York [Mr. KLEIN], I ask unanimous consent to insert in the RECORD at this point his remarks with reference to the bill now under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

MASTERPIECE OF UNDERSTATEMENT

Mr. KLEIN. Mr. Chairman, I am going to vote for this rent-control and housing bill of 1949, H. R. 1731, because it is the best bill that can be brought to the floor and passed. I will not say that I am voting for it with reluctance because it is an infinitely superior measure to the pale wisp of authority contained

in the Rent Control Act of 1947, dictated as it was by the most stupendous pressure lobby assembled against the interests of the American people in many a long day.

This is, as a matter of fact, a good bill, but, with all respect to the very able chairman, the gentleman from Kentucky [Mr. SPENCE], and the hard-working members of the Committee on Banking and Currency, the country, and especially the metropolitan areas, could have used a stronger bill.

NEED IS ACUTE

Mr. Chairman, the committee has indulged in a masterpiece of understatement in the report when it says with straight face:

The committee has concluded that the emergency with respect to the housing shortage growing out of the dislocations of World War II still exists.

It may be that in parts of the country so mild a statement can describe the housing situation.

It may be that there are areas in which there is no appreciable shortage of rental housing of decent standards offered at reasonable rentals.

That cannot be said of the Nineteenth Congressional District of New York, nor, indeed, of the metropolitan area of New York as a whole.

My constituents write me daily, informing me of distressing conditions in our neighborhoods.

FAMILIES IN DISCOMFORT

Veterans—the men who were called on to fight for the safety and security of our Nation—and their families are jammed up in single-room apartments too small for an adequate bedroom. Many young couples write to me that they dare not plan a family until they are assured of a place in which they can live with babies in something approaching decency and comfort.

Others write of three families being crowded into a three-room apartment which affords no privacy, no comfort, no breathing room, with resultant discord and family quarrels. Last summer, during debate on the pitiful Republican Housing Act, I inserted in the RECORD a letter from a young couple striving to find a place to live while waiting for their baby.

MARRIAGE BROKEN

Now I have in my office anguished letters from that young wife telling how failure to find adequate quarters broke up their marriage. She is living with relatives on Long Island with their baby; the husband appears to have disappeared in frustration; and the couple is being divorced.

Others write me that they have received eviction notices because of plans for tearing down existing dwellings and replacing them.

We have still in this country thousands of American citizens who are displaced persons because of lack of adequate, reasonably priced rental housing.

I know that this Congress is going to pass the National Housing Act; I know that when passed it will greatly alleviate the present conditions; but I know also, and all of us here know, Mr. Chairman, that it will be years before the benefits

of the act are felt in the congested metropolitan areas.

Our housing deficit is huge, and new construction is not keeping pace with needs in the rental categories where the deficiencies are greatest.

I had hoped, Mr. Chairman, that the committee could agree to extension of rent control for at least 2 years, in order to supply stability to the housing industry and to tenants, and that the most desirable features of the Myers-Douglas bills could be incorporated into the committee bill.

LOBBY OF GREED

Nevertheless, realizing the vast pressures brought by the lobby of greed opposing rent control—a lobby which places higher values on sticks and bricks than on human lives and happiness—I know that the committee could not bring a better bill to the floor with any confidence of passage, and I must support what we can get.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1731) to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MITCHELL asked and was given permission to extend his remarks in the Record in two instances.

Mr. YATES asked and was given permission to extend his remarks in the Appendix of the Record and include an article.

Mr. DAVENPORT asked and was given permission to extend his remarks in the Appendix of the Record and include extraneous matter.

Mr. THOMPSON (at the request of Mr. COOPER) was given permission to extend his remarks in the Appendix of the Record and include an editorial.

Mr. SHAFER (at the request of Mr. WOLCOTT) was given permission to extend his remarks in the Record in four instances and include certain letters and resolutions.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from Massachusetts [Mr. McCORMACK] to act as Speaker pro tempore tomorrow.

HOOR OF MEETING

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow morning at 10 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar

Wednesday business of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, March 11, 1949, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

340. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress, in typescript, volumes I and II of the detailed findings presented to the Commission by the task force which studied transportation and the National Government. This material is a further addition to the supporting data which accompanies the Commission's report on the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

341. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of \$65,925 for the legislative branch, House of Representatives, in the form of amendments to the budget for said fiscal year (H. Doc. No. 103); to the Committee on Appropriations and ordered to be printed.

342. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting to the Congress, in typescript, the following staff reports: (1) Securities and Exchange Commission, (2) Federal Trade Commission, (3) National Labor Relations Board, (4) Federal Power Commission, (5) United States Maritime Commission, (6) Federal Communications Commission, (7) Federal Reserve System, (8) Civil Aeronautics Board, (9) Interstate Commerce Commission. The above reports were prepared for the Commission's consideration by the task force as a supplement to the Commission's report on independent regulatory commissions; to the Committee on Interstate and Foreign Commerce.

343. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 11, 1949, submitting a report, together with accompanying papers and an illustration, on a review of reports on Redwood City Harbor (Redwood Creek), Calif., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on January 28, 1947 (H. Doc. No. 104); to the Committee on Public Works and ordered to be printed, with one illustration.

344. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 24, 1948, submitting a report, together with accompanying papers and an illustration, on a review of report on the Lost River and tributaries in the vicinity of Orleans, Ind. Requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on November 15, 1945 (H. Doc. No. 105); to the Committee on Public Works and ordered to be printed, with one illustration.

345. A letter from the Secretary of the Army, transmitting a letter from the Chief

of Engineers, United States Army, dated September 27, 1948, submitting a report, together with accompanying papers and an illustration, on a review of reports on Horseshoe Cove, Fla., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on November 8, 1945, and a preliminary examination and survey of channel, turning basin, and improvements at Horseshoe, Dixie County, Fla., authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 106); to the Committee on Public Works and ordered to be printed, with one illustration.

346. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated October 6, 1948, submitting a report, together with accompanying papers and an illustration on an interim review of reports on the Mississippi River between Coon Rapids Dam, Minn., and the mouth of the Ohio River, with a view to local flood protection at Canton, Mo., requested by resolutions of the Committee on Flood Control, House of Representatives, adopted on September 18, 1944 (H. Doc. No. 107); to the Committee on Public Works and ordered to be printed, with one illustration.

347. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 28, 1948, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Sandy Hook Bay, N. J., with a view to providing a channel and improvements at Leonardo, authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 108); to the Committee on Public Works and ordered to be printed, with two illustrations.

348. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 27, 1948, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of southwest side of Rappahannock River, in vicinity of Bowlers Wharf, Essex County, Va., to secure harbor of refuge and connecting channels, authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 109); to the Committee on Public Works and ordered to be printed with one illustration.

349. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated October 6, 1948, submitting a report, together with accompanying papers and an illustration on a review of reports on Brunswick Harbor, Ga., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on May 23, 1945 (H. Doc. No. 110); to the Committee on Public Works and ordered to be printed, with one illustration.

350. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 14, 1948, submitting a report, together with accompanying papers and an illustration, on a review of reports on waterway connecting Pamlico Sound and Beaufort Harbor, N. C., with particular reference to Taylors Creek, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on April 20, 1948, and also requested by a resolution of the Committee on Public Works, United States Senate, adopted on March 9, 1948 (H. D. C. No. 111); to the Committee on Public Works and ordered to be printed, with one illustration.

351. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1948, submitting a report, together with accompanying papers and an illustration, on a review of reports on Gulfport Harbor, Miss., requested by a resolution of the Committee

on Rivers and Harbors, House of Representatives, adopted on May 16, 1946 (H. Doc. No. 112); to the Committee on Public Works and ordered to be printed, with one illustration.

352. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 4, 1948, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Potomac River and tributaries at and below Washington, D. C., with a view to elimination of the water chestnut, authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 113); to the Committee on Public Works and ordered to be printed, with one illustration.

353. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated October 7, 1948, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Little Bay, Tex., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 114); to the Committee on Public Works and ordered to be printed, with one illustration.

354. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated September 10, 1948, submitting a report, together with accompanying papers, on a preliminary examination of Pennypack Creek, a tributary of the Delaware River located in Philadelphia, Pa., with a view to providing facilities for light-draft navigation, authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

355. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated September 10, 1948, submitting a report, together with accompanying papers, on a preliminary examination of Finneys Creek, Accomac County, Va., and the channel connecting said creek with Wachapreague Inlet and the Atlantic Ocean, authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

356. A letter from the Under Secretary, Department of Agriculture, transmitting a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease under the terms of that law for the month of January 1949; to the Committee on Agriculture.

357. A letter from the Secretary of the Interior, transmitting a proposed bill to repeal certain obsolete laws and parts of laws relating to the sale of public lands; to the Committee on Public Lands.

358. A letter from the Chairman of the Commission on Organization of the Executive Branch of the Government, transmitting a study prepared for the Commission's consideration of fiscal, budgeting, and accounting methods and systems in Federal Government; to the Committee on Expenditures in the Executive Departments.

359. A letter from the Chairman of the Commission on Organization of the Executive Branch of the Government, transmitting a report on the Treasury Department, and separately, as appendix F, the task force report on fiscal, budgeting, and accounting activities of the Federal Government (H. Doc. No. 115); to the Committee on Expenditures in the Executive Departments and ordered to be printed, with illustrations.

360. A letter from the Secretary of Defense, transmitting a draft of a proposed bill to promote the national defense by authorizing a unitary plan for construction of transonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center; to the Committee on Armed Services.

361. A letter from the Administrator, Federal Works Agency, transmitting a draft of a

proposed bill entitled "A bill to authorize the construction at Suitland, Md., of a building or group of buildings for the servicing and storage of film records"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. AUCHINCLOSS: Committee on House Administration. House Resolution 140. Resolution to pay a gratuity to Anne O. Brown; without amendment (Rept. No. 247). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 126. Resolution for the relief of Mrs. Charlotte H. Murdock; without amendment (Rept. No. 248). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Joint Resolution 89. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; without amendment (Rept. No. 249). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 93. Resolution for the relief of John F. Schmelzer and Alliance Insurance Co.; without amendment (Rept. No. 250). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 113. Resolution to provide funds for the Committee on House Administration; with an amendment (Rept. No. 251). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 18. Concurrent resolution authorizing a reprint of supplement III (Country Studies A, B, and C) of the report of the Subcommittee on National and International Movements of the Committee on Foreign Affairs, entitled "The Strategy and Tactics of World Communism," for the use of the Committee on Foreign Affairs; without amendment (Rept. No. 252). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 44. Concurrent resolution authorizing the printing of additional copies of House Document No. 401, Eightieth Congress, entitled "Fascism in Action"; without amendment (Rept. No. 253). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. House Resolution 49. A bill to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States; with amendments (Rept. No. 254). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 331. A bill to provide for the admission of Alaska into the Union; with amendments (Rept. No. 255). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 3414. A bill to provide for the issuance of a special postage stamp in commemoration of the signing of the documents terminating the War Between the States; to the Committee on Post Office and Civil Services.

By Mr. ALLEN of California:

H. R. 3415. A bill to confirm and establish the titles of the State to lands beneath navigable waters within State boundaries and natural resources within such lands and waters and to provide for the use and control of said lands and resources; to the Committee on the Judiciary.

By Mr. BURTON:

H. R. 3416. A bill to provide for the construction of the Smith Mountain Dam and hydroelectric power project in the Roanoke River Basin; to the Committee on Public Works.

By Mr. CANNON:

H. R. 3417. A bill to amend the act entitled "An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians," approved April 10, 1928, and for other purposes; to the Committee on House Administration.

By Mr. COFFEY:

H. R. 3418. A bill to allow, in the case of miners working underground, an income-tax deduction with respect to work clothes; to the Committee on Ways and Means.

By Mr. HART:

H. R. 3419. A bill to amend the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

By Mr. JACKSON of Washington:

H. R. 3420. A bill to authorize the exchange of wildlife refuge lands within the State of Washington; to the Committee on Merchant Marine and Fisheries.

H. R. 3421. A bill to grant to fishermen's cooperatives the same exemption from income tax as is allowed to farmers' cooperatives; to the Committee on Ways and Means.

By Mr. LYNCH:

H. R. 3422. A bill to include the Virgin Islands in certain titles of the Social Security Act; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 3423. A bill to provide for centralizing certain wage rates to the supervision of the Department of Labor; to the Committee on Education and Labor.

By Mr. SADOWSKI:

H. R. 3424. A bill to establish a Federal Commission on Services for the Physically Handicapped, to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mr. SMATHERS:

H. R. 3425. A bill to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes; to the Committee on Armed Services.

H. R. 3426. A bill to amend the National Service Life Insurance Act of 1940, as amended; to the Committee on Veterans' Affairs.

H. R. 3427. A bill to exempt from admissions tax admissions to activities of elementary and secondary schools; to the Committee on Ways and Means.

H. R. 3428. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for investigatory personnel of the Federal Bureau of Investigation who have rendered at least 20 years of service; to the Committee on Post Office and Civil Service.

H. R. 3429. A bill to amend the National Motor Vehicle Theft Act to include embezzled vehicles and aircraft; to the Committee on the Judiciary.

By Mr. SUTTON:

H. R. 3430. A bill for the purpose of remodeling and improving the post-office building at Franklin, Tenn.; to the Committee on Public Works.

H. R. 3431. A bill for the purpose of erecting in Hohenwald, Tenn., a post-office building; to the Committee on Public Works.

H. R. 3432. A bill for the purpose of erecting in Centerville, Tenn., a post-office building; to the Committee on Public Works.

H. R. 3433. A bill for the purpose of erecting in Waynesboro, Tenn., a post-office building; to the Committee on Public Works.

By Mr. VINSON:

H. R. 3434. A bill to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 3435. A bill to amend the Nationality Act of 1940, as amended; to the Committee on the Judiciary.

H. R. 3436. A bill to amend section 3 of the Lucas Act with respect to redefinition of request for relief; to the Committee on the Judiciary.

By Mr. WELCH of California:

H. R. 3437. A bill to amend the Federal Highway Act and other acts to permit the allocation of Federal funds to the construction, reconstruction, or maintenance of publicly owned toll bridges or toll roads; to the Committee on Public Works.

By Mr. BOGGS of Louisiana:

H. R. 3438. A bill to prohibit the picketing of courts; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 3439. A bill to provide for a Federal court building in Winchester, Tenn.; to the Committee on Public Works.

By Mr. HILL:

H. R. 3440. A bill for the addition of certain lands to Rocky Mountain National Park, Colo., and for other purposes; to the Committee on Public Lands.

By Mr. HUBER (by request):

H. R. 3441. A bill to provide for national cemeteries in the State of Ohio; to the Committee on Public Lands.

By Mr. JACKSON of California:

H. R. 3442. A bill to confirm and establish the titles of the State to lands beneath navigable waters within State boundaries and natural resources within such lands and waters and to provide for the use and control of said lands and resources; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 3443. A bill to amend the Legislative Reorganization Act of 1946 by adopting principles of procedure in investigations by committees of the Senate and the House of Representatives; to the Committee on Rules.

By Mr. MURRAY of Tennessee:

H. R. 3444. A bill to provide for the collection and publication of cotton statistics; to the Committee on Post Office and Civil Service.

H. R. 3445. A bill to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable; to the Committee on Post Office and Civil Service.

By Mr. PHILBIN:

H. R. 3446. A bill to amend the act of May 29, 1944, providing annuities for persons who participated in the construction of the Panama Canal, by extending the class to whom annuities may be paid; to the Committee on Merchant Marine and Fisheries.

By Mr. RIEHLMAN:

H. R. 3447. A bill to create a General Property Office, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. WALSH:

H. R. 3448. A bill to provide that jewelry and luggage made at home by a disabled individual shall be exempt, if sold at retail by such individual, from the retailers' excise taxes; to the Committee on Ways and Means.

H. R. 3449. A bill to establish in the Veterans' Administration a Department for the Cure of Alcoholism; to the Committee on Veterans' Affairs.

By Mr. WHITE of California:

H. R. 3450. A bill to provide price support for barley; to the Committee on Agriculture.

By Mr. WICKERSHAM:

H. R. 3451. A bill to establish the United States Air Force Academy at Altus and Frederick, Okla.; to the Committee on Armed Services.

By Mr. KUNKEL:

H. R. 3452. A bill to amend the Railroad Retirement Act of 1937 with respect to the computation of annuities; to the Committee on Interstate and Foreign Commerce.

H. R. 3453. A bill to amend the Railroad Retirement Act of 1937 with respect to the definition of the employment relation; to the Committee on Interstate and Foreign Commerce.

By Mr. WICKERSHAM:

H. R. 3454. A bill to amend the Agricultural Retirement Act of 1938 in respect of the apportionment among the States of the national acreage allotment; to the Committee on Agriculture.

By Mr. WEICHEL:

H. R. 3455. A bill to provide for the construction of a post office at Monroeville, Ohio; to the Committee on Public Works.

H. R. 3456. A bill to provide for the construction of a post office at Attica, Ohio; to the Committee on Public Works.

By Mr. HORAN:

H. J. Res. 191. Joint resolution relating to Father's Day; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. Con. Res. 46. Concurrent resolution to provide additional funds for the Joint Committee on Labor-Management Relations; to the Committee on House Administration.

By Mr. TAURIELLO:

H. Con. Res. 47. Concurrent resolution to express the disapproval of the Congress of the action of the Government of Bulgaria in trying and sentencing 15 leading Protestant clergymen; to the Committee on Foreign Affairs.

By Mr. BATTLE:

H. Res. 145. Resolution providing for the employment of an additional clerk for any Member, Delegate, or Resident Commissioner; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to amend the Federal Social Security Act to permit the Federal Security Agency to participate in the payment of public-assistance grants to persons residing in public hospitals or other public institutions; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to enact and approve a bill requiring shippers of cigarettes in interstate commerce to furnish to the taxing authorities of the States to which the merchandise is shipped a copy of the invoice on each such shipment and the name and address of each purchaser, or to enact such other legislation in aid of the States affected as may be proper; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 3457. A bill for the relief of John W. Crumacker, commander, United States Navy; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 3458. A bill for the relief of Miss Celeste Iris Maeda; to the Committee on the Judiciary.

By Mr. HEFFERNAN:

H. R. 3459. A bill for the relief of Freda Corber; to the Committee on the Judiciary.

By Mr. HOEVEN (by request):

H. R. 3460. A bill for the relief of Elizabeth J. Underhill; to the Committee on the Judiciary.

By Mr. HOFFMAN of Illinois:

H. R. 3461. A bill for the relief of Lester B. McAllister and others; to the Committee on the Judiciary.

H. R. 3462. A bill for the relief of Walter J. O'Toole; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 3463. A bill for the relief of Mr. and Mrs. Fred A. Fletcher; to the Committee on the Judiciary.

By Mr. JENSEN:

H. R. 3464. A bill to record the lawful admission for permanent residence of alien John Michael Ancker Rasmussen; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H. R. 3465. A bill for the relief of Jose Da Silva; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 3466. A bill for the relief of William Couper; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 3467. A bill for the relief of Franz Eugene Laub; to the Committee on the Judiciary.

By Mr. SMATHERS:

H. R. 3468. A bill for the relief of John K. Murphy; to the Committee on the Judiciary.

H. R. 3469. A bill for the relief of Robert Joseph Vetter; to the Committee on the Judiciary.

By Mr. BATES of Kentucky:

H. R. 3470. A bill for the relief of Central Grocery Co.; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 3471. A bill for the relief of Mrs. Sarah J. Miller; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

191. By Mr. BREEN: Memorial of the city council of Hamilton, Ohio, memorializing the Congress to pass the General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

192. By Mr. GORSKI of New York: Memorial of Peter J. Rybka, councilman-at-large of Buffalo, N. Y., relative to immediate repeal of the Taft-Hartley law; to the Committee on Education and Labor.

193. By Mr. HART: Petition of Albert L. Quinn Post, No. 52, American Legion, of Jersey City, N. J., urging the condemnation of the Communist Party for its persecution of all forms of religious activity in general and for the outrageous treatment of Cardinal Mindszenty in particular; to the Committee on Foreign Affairs.

194. Also, petition of Jersey City Council, No. 137, Knights of Columbus, Jersey City, N. J., urging that the Government of the United States, as a signatory to the peace treaty of 1947 with Hungary, investigate the entire case involving Cardinal Josef Mindszenty and expose all violations of the treaty affecting his arrest, trial, and imprisonment and to take all necessary steps to compel enforcement of the treaty; to the Committee on Foreign Affairs.

195. By Mr. HILL: Petition of the State of Colorado, asking for an appropriation of the sum of \$500,000 for the continuation and completion of the Leadville drainage tunnel; to the Committee on Appropriations.

196. By Mr. LeCOMPTE: Petition of Fred D. Humphrey and other World War II veterans of Oskaloosa, Iowa, urging the adoption of legislation to permit postal employees who served in the armed services to benefit under Public Law 134; to the Committee on Post Office and Civil Service.

197. By the SPEAKER: Petition of William J. Pachler, secretary-treasurer, Utility Workers Union of America, CIO, Washington, D. C., petitioning consideration of their resolution with reference to distribution of public power, and correction of an erroneous impression that has been created regarding that union having been on record against the New Johnsonville plant of the TVA system; to the Committee on Public Works.

198. Also, petition of W. E. Wycoff, recording secretary, Stark County Industrial Union Council, Canton, Ohio, petitioning consideration of their resolution with reference to opposing and condemning any extraordinary debate or filibuster; to the Committee on Rules.

199. Also, petition of Louis de Bourbon, Athens, Greece, asking an investigation of his case involving loss of American citizenship; to the Committee on the Judiciary.

SENATE

FRIDAY, MARCH 11, 1949

(Legislative day of Monday, February 21, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord our God, who hast cast our lot in pleasant places: We praise Thee for our goodly heritage in this land. We remember with gratitude those whose gifts of head and heart and hand established the foundations of this Nation. We bless Thee for the ideals of faith and freedom which they cherished. Help us to hold them dear and to prize them above luxury or ease.

Deliver us from pride and self-sufficiency. So change our hearts and renew our wills that we shall love what Thou dost love and do what Thou dost command, and with singleness of mind and purpose seek first Thy kingdom and Thy righteousness. Grant to these leaders of the Nation purity of motive and soundness of judgment. Raise up in every land men of vision and courage who for the sake of the common good will think wisely and do justly and love mercy. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 89) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 18. Concurrent resolution authorizing a reprint of Supplement III (Country Studies A, B, and C) of the report of the Subcommittee on National and International

Movements of the Committee on Foreign Affairs, entitled "The Strategy and Tactics of World Communism," for the use of the Committee on Foreign Affairs; and

H. Con. Res. 44. Concurrent resolution authorizing the printing of additional copies of House Document No. 401, Eightieth Congress, entitled "Fascism in Action."

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

VOLUNTARY PLAN FOR ALLOCATION OF STEEL PRODUCTS FOR FARM-TYPE STORAGE BINS

A letter from the Attorney General, transmitting, pursuant to law, the Voluntary Plan for the Allocation of Steel Products for Farm-Type Storage Bins and letters of compliance therewith (with accompanying papers); to the Committee on Banking and Currency.

SUSPENSION OF DEPORTATION OF ALIENS

Two letters from the Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

REHABILITATION OF NAVAJO AND HOPI TRIBES OF INDIANS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPEAL OF CERTAIN LAWS RELATING TO SALE OF PUBLIC LANDS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to repeal certain obsolete laws and parts of laws relating to the sale of public lands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CONSTRUCTION OF CERTAIN BUILDINGS AT SUITLAND, MD.

A letter from the Administrator of the Federal Works Agency, transmitting a draft of proposed legislation to authorize the construction at Suitland, Md., of a building or group of buildings for the servicing and storage of film records (with an accompanying paper); to the Committee on Public Works.

AMENDMENT OF CLOTURE RULE

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of Senate Resolution 15, amending the so-called cloture rule of the Senate.

The VICE PRESIDENT. The question before the Senate is, Shall the decision of the Chair overruling the point of order made by the Senator from Georgia [Mr. RUSSELL] stand as the judgment of the Senate?

Mr. VANDENBERG obtained the floor.

Mr. LUCAS. Mr. President, will the Senator from Michigan yield to me to make the point of no quorum?

Mr. VANDENBERG. I yield.

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Baldwin	Butler	Chapman
Brewster	Byrd	Chavez
Bricker	Cain	Connally
Bridges	Capehart	Cordon

Donnell	Johnston, S. C.	O'Connor
Douglas	Kefauver	O'Mahoney
Downey	Kem	Pepper
Eastland	Kerr	Reed
Eaton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Smith, N. J.
George	McCarran	Sparkman
Gillette	McCarthy	Stennis
Green	McFarland	Taft
Gurney	McGrath	Taylor
Hayden	McKellar	Thomas, Okla.
Hendrickson	McMahon	Thomas, Utah
Hickenlooper	Magnuson	Thye
Hill	Malone	Tobey
Hoey	Maybank	Tydings
Holland	Miller	Vandenberg
Humphrey	Millikin	Watkins
Hunt	Morse	Wherry
Ives	Mundt	Wiley
Jenner	Murray	Williams
Johnson, Colo.	Myers	Withers
Johnson, Tex.	Neely	Young

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Arkansas [Mr. McCLELLAN] are absent by leave of the Senate.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from Pennsylvania [Mr. MARTIN] are absent by leave of the Senate.

The VICE PRESIDENT. Ninety Senators having answered to their names, a quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. VANDENBERG. Does the Senator from Illinois wish me to yield to him to make the usual request at this time?

Mr. LUCAS. Yes.

Mr. VANDENBERG. I do so.

Mr. LUCAS. Mr. President, before the able Senator from Michigan proceeds, I ask unanimous consent that all Senators desiring to introduce bills and joint resolutions, present petitions and memorials, or committee reports, or submit for the Record matters usually placed in the RECORD during the morning hour, be permitted to do so, without debate, and without jeopardizing or affecting the present parliamentary situation.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to amend the Federal Unemployment Tax Act and the Internal Revenue Code to permit a 100-percent credit against pay-roll taxes collected by States and to return to the States full control over the administration of their unemployment-compensation laws

"Whereas the Federal Government now finances the entire cost of the State employment security operations of the several States having approved unemployment-compensation laws, although such a 100-percent Federal grant of funds to administer State laws does not exist elsewhere in the field of Federal grants-in-aid; and

"Whereas under terms of the Federal Unemployment Tax Act and the Internal Revenue Code the Federal Government levies a